ELEVENTH REPORT

STANDING COMMITTEE ON RAILWAYS (1994-95)

(TENTH LOK SABHA)

MINISTRY OF RAILWAYS (RAILWAY BOARD)

GAUGE CONVERSION ON INDIAN RAILWAYS

(Action Taken by Government on the Recommendations/ Observations contained in the Third Report of Standing Committee on Railways)

Presented to Lok Sabha on 14.3.95
Laid in Rajya Sabha on 15.3.95

LOK SABHA SECRETARIAT
NEW DELHI

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COMPOSITION OF THE STANDING COMMITTEE ON RAILWAYS
(1994-95)

Shri Somnath Chatterjee — *Chairman*

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3. Shri A.R. Antulay
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6. Kumari Frida Topno
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2. Smt. Roli Srivastava	—	*Joint Secretary*
3. Shri T.R. Sharma	—	*Deputy Secretary*
4. Shri R.C. Gupta	—	*Under Secretary*

INTRODUCTION

I, the Chairman of the Standing Committee on Railways (1994-95), having been authorised by the Committee to submit Report on their behalf, present this Eleventh Report on action taken by Government on the recommendations/observations contained in their Third Report (Tenth Lok Sabha) on Gauge Conversion on Indian Railways.

2. The Third Report was presented to Lok Sabha on 14 December, 1993. The Government furnished their replies indicating action taken on the recommendations/observations contained in that Report on 21 July/ 5 October, 1994. After examining the replies furnished by the Ministry of Railways, the Committee decided to take oral evidence of the representatives of the Ministry on 31 October, 1994.

3. The Committee wish to express their thanks to the Officers of the Ministry of Railways for furnishing the material and information which they desired in connection with the examination of action taken replies and sharing with the Committee their views concerning the matters which came up for discussion during evidence held on 31 October, 1994.

4. The Committee adopted the Report at their sitting held on 25 January, 1995. The Minutes of the sittings of the Committee held on 12 May, 27 September, 31 October, 23 December, 1994 and 25 January, 1995 form Part II of the Report.

5. An analysis of the Action Taken by the Government on recommendations/observations contained in the Third Report (Tenth Lok Sabha) of the Committee is given at Appendix-II.

NEW DELHI;
25 January, 1995
5 Magha, 1916 (Saka)

SOMNATH CHATTERJEE
Chairman,
Standing Committee on Railways.

PART I

CHAPTER I

REPORT

This Report of the Standing Committee on Railways (1994-95) deals with the action taken by the Government on the recommendations contained in the Third Report (Tenth Lok Sabha) on 'Gauge Conversion on Indian Railways' which was presented to Lok Sabha on 14 December, 1993.

2. The Action Taken Notes have been received from Government in respect of all the 21 recommendations/observations contained in the Report. These have broadly been categorised as follows:—

(i) Recommendations/Observations which have been accepted by the Government:
Paras 50, 51, 52, 53 and 54

(ii) Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government:
Paras 58, 59, 60, 61, 62, 63, 64 and 68

(iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:
Paras 55, 56, 57, 65, 66, 67, 69 and 70

(iv) Recommendations/Observations in respect of which final replies of the Government are still awaited:
NIL

3. Some of the Action Taken Replies of the Ministry of Railways (Railway Board) are dealt with hereunder.

A. Sudden Shift in the Policy of Gauge Conversion

Recommendations/Observations (Paras 55, 56 & 57)

4. The Committee had, in paragraphs 55, 56 and 57 of their Third Report, observed that the reasons which promoted the sudden shift in the policy of gauge conversion appeared to be the direction issued by the Minister of Railways who wanted that gauge conversion as policy to be reviewed. The Committee also found that one non-official who was then the Transport Advisor of World Bank, sent a detailed proposal for gauge conversion as a step to achieve the desired goal already set out by the Minister. The non-official advisor of the Railway Minister had suggested that there was no need to undertake any in-depth study on the issue. The Committee could thus reasonably conclude that the sudden shift in the

policy of gauge conversion was made at the instance of the Railway Minister whose only aim was to convert certain metre gauge lines to broad gauge irrespective of their economic benefit and without waiting for any proper detailed study of reports regarding requirements of rolling stock, traffic projections and other infrastructure required for passenger facilities and amenities etc. Besides, a former Chairman of the Railway Board, who appeared as non-official witness before the Committee when asked why he did not give his views about selective gauge conversion in the General Managers' Meetings held on 6-7 January, 1992 which was presided over by the Minister of Railways, had stated: ".....Minister presided over one or two meetings and it was his views which ultimately prevailed .....when the final decision was taken at the top, it had to be implemented". The Committee failed to appreciate how such an important decision of large scale gauge conversion requiring massive investment of funds and whose materialisation was still doubtful in the absence of detailed study and proven data, could be imposed on Railways by the Minister himself sidetracking other areas of railway network development and ignoring the views of the experts that a complete uni-gauge system could not be introduced in Indian Railways altogether and to the extent desired in the coming 20 or 25 years.

5. The Ministry of Railways, in their action taken note dated 21 July, 1994, stated that this inference was not warranted by facts nor the change in policy was made at the instance of the Minister or on any *ad-hoc* basis. It was necessitated by the steep reduction in the size of the 8th Plan from Rs. 45,600 crores to Rs. 27,202 crores without reduction in the targets of traffic to be handled which necessitated development of alternative routes within the reduced resources to augment capacity for carrying the traffic projected at the end of the Plan period. Since 80% of the traffic is carried by the diagonals and the quadrilaterals, where doubling and improved signalling have already been provided, augmentation by conventional means would have required construction of third and fourth lines involving heavy investments. On the other hand, gauge conversion of MG lines, often providing shorter routes, could be achieved at a fraction of the cost and would provide the required additional carrying capacity. Moreover, the MG system had over-aged tracks, wagons, coaches and locomotives which required Rs. 2500 crores for rehabilitation. It is in this context that extensive gauge conversion was planned. The planning was done in consultation with the Planning Commission and in each case the traffic potential was reviewed before taking up the work. As far rolling stock requirements are concerned, the total impact of gauge conversion and the associated additional requirements of B.G. stock have been worked out and the rolling stock manufacturing programme for the remaining years of the VIII Plan has been suitably revised to ensure that the rolling stock required for running the services of gauge converted routes is fully available.

6. The Ministry further stated that every effort was made to ensure that the facilities and amenities provided on the converted lines were not in any way inferior to the facilities existing on the MG lines. In fact, while planning each work, care was taken to ensure provision of superior facilities to what the rail users were getting on the MG.

7. However, on reconsideration, the Ministry of Railways (Railway Board), submitted to the Committee on 5 October, 1994 a revised comprehensive reply, as reproduced at *Annexure-A*. Taking a serious view of the reply furnished by the Ministry earlier, the Committee enquired during the course of evidence of the representatives of the Ministry of Railways on 31 October, 1994 whether it was within the jurisdiction of the Ministry to make comments such as given below on their recommendations/observations:

> "This inference is not warranted by facts nor the change in policy was made at the instance of the Minister or on any *ad-hoc* basis."

In his reply the Chairman, Railway Board stated as under:

> "It did come to our notice and we have submitted a revised reply to paragraph 57 of the Report. There we have clarified how we have arrived at the policy of gauge conversion for the Eighth Plan and that reference, as you would notice from the revised reply, has been deleted."

Asked whether that was sufficient, the witness stated:

> "I do regret that the reply should have been drafted in that manner..... I do apologise. My apology may be accepted."

8. Prior to the meeting of Railway officials held at Bangalore in January 1992, there was a decision to take up lines for gauge conversion on selective basis. The Committee, therefore, enquired during the course of evidence whether any study to change the above policy made or the policy was changed on the basis of the letter dated 18 December, 1991 received from the non-official advisor of the Railway Minister. The Member (Engineering) replied:

> "After getting a note from.... Mr. (non-official advisor of the Railway Minister), a Conference of Railway Officials, serving as well as retired, was convened at Bangalore to develop consensus on the subject. Basically, the change arose because of the cut in plan size. The Planning Commission was insisting that the physical targets at the end of the Eighth Plan would remain the same despite the cut in the plan size; and that called for a change in the strategy; and for that, Conference was organised and this decision for gauge conversion was taken."

9. Asked about the reasons for the hurry in which the decision for gauge conversion was taken without waiting for the study report, the witness stated:

> "Certain studies have already been done in the last two decades and all had indicated that a gauge conversion on selective basis is called for. Again, at the cost of repetition, I would like to submit that the cut in the Plan size and keeping same transport targets impelled us to do it."

10. The Committee also wanted to have a copy of Agenda for the meeting held on 6 and 7 January, 1992. A copy of the Agenda as received from the Ministry of Railways is reproduced at *Annexure-B*.

11. In their Third Report, the Committee had made observations about gauge conversion. They did not appreciate the way in which such an important decision of large scale gauge conversion requiring massive investment of funds and whose materialisation was still doubtful in the absence of detailed study and proven data could be imposed on Railways by the Minister himself sidetracking other areas of railway network development and ignoring the views of experts on the subject that a complete unigauge system would not be introduced in Indian Railways altogether in the coming 20 or 25 years. The Committee had concluded that the sudden shift in the policy of gauge conversion was made at the instance of the Railway Minister whose only aim was to convert certain metre gauge lines to broad gauge irrespective of the economic benefit and without waiting for any proper far less any detailed study of reports regarding requirements of rolling stock, traffic projections and other infrastructure required for passenger facilities and amenities etc.

The Ministry of Railways in their Action Taken Note, dated 27/7/1994 stated that 'this inference is not warranted by the facts nor the change in policy was made at the instance of the Ministry on any *ad-hoc* basis.'

The Committee take a serious view of the above comments by the Ministry in their Action Taken Reply. However, in view of the revised reply furnished by the Ministry deleting these comments and the apology tendered by the Chairman of the Railway Board, the Committee do not desire to pursue the matter further.

12. The Committee would like to observe that steep reduction in the size of the Eighth Plan from Rs. 45,600 to Rs. 27,202 crores strengthens the belief of the Committee that the priority accorded to gauge conversion programme over other areas of development of railway network was misplaced especially when there was resource constraint and was not based on any scientific study of the whole gamut of the problem. The Committee, therefore, still hold their earlier opinion that the decision regarding this large scale gauge conversion was taken in haste without any proper study of all the relevant factors.

B. Gauge Conversion without an in-depth Study and Analysis
(Recommendation/Observation Para 66)

13. In their earlier Report the Committee had stated that they were not averse to upgradation of Indian Railways network and would prefer if the entire railway lines could be brought under broad gauge. But, unfortunate part of the project was that the large scale gauge conversion programme involving massive investment had been undertaken by the Railways without an in-depth study and analysis and the economics of the proposal. It was also observed that such diversion of funds was being resorted to on a single project, materialisation of which was doubtful especially at a time when the Railways were facing a severe resource crunch. Thus, a situation had been created where the Committee could not help concluding that this unrealistic project had been taken up only to "realise the dream" of the Minister as stated by the Transportation Consultant, World Bank.

14. The Ministry in their Action Taken Note have stated that to remove this apprehension the Railways would have to go back to find out how the Indian Railways have been trying to cope up to get rid of uneconomic drag of multiple gauges for more than last two decades. Although disadvantages of having a multi-gauge system in the country were recorded as far back as 1853, it was for the first time in 1971 that a policy-decision was announced in the then Railway Minister's Budget Speech that existing metre gauge lines would be progressively converted into broad gauge so as to work towards a uni-gauge system. Besides laying down that new lines to be constructed in future would be broad gauge only, this policy-decision was followed by sanctioning of gauge conversion work of 4000 km of routes. The programme, however, could not take off due to inadequate availability of resources as cost of conversion as then envisaged, was almost equal to the cost of new lines.

15. Thereafter, in 1975 Indian Railways modified its aforesaid policy and decided, instead, to upgrade the metre gauge system and conversion into broad gauge only on selective basis provided it is least cost alternative or it was essential on operating considerations. As a follow-up of this decision, two routes in metre gauge (Delhi-Ahmedabad and Madras-Madurai) were upgraded at a considerable cost and three superfast trains at 100 kmph were run on these routes, but no other further improvement could be brought out due to lack of resources, such as higher axle-load wagons, higher H.P. locomotives, better quality coaches etc.

16. The trend of freight traffic from the regions served by metre gauge kept on declining as it failed to win investors' confidence due to lack of proper transport infrastructure (lesser capacity & problems of transhipment). Thus an acute situation was arising on Indian Railways where, while metre gauge traffic was continuously going down as a proportion of overall traffic carried by Indian Railways (9 per cent of freight traffic and 16 per cent of passenger traffic as against 38 per cent of route kms.), the

system as a whole was required to carry more traffic in consonance with the growing economy of the country.

17. Planning Commission, therefore, appointed a Committee on Expansion of Railway Network (CERN) in 1987 headed by Shri M. Menezex, Ex-Chairman, Railway Board, who recommended construction of 2902 kms. new BG lines and conversion of 2306 kms. of MG route to generate additional capacity to match the increased demand for transportation of carrying 600 million tonnes of freight and 4500 million passengers by the year 2000. In addition, doubling of 4000 kms. of existing route was considered necessary to carry this anticipated traffic. To meet this target of freight and passenger traffic, Indian Railways prepared VIII Plan of Rs. 45,600 crore, but owing to severe resource constraint the Plan size was cut down to Rs. 27,202 crores.

Thus Indian Railways confronted with a awkward situation whereby, on the one hand, the money for expansion of the BG network was not just available whereas on the other hand, it was burdened with an uneconomical metre gauge network where the operating ratio was 171 (v/s 81 for broad gauge) and where 5000 km. of track, 30 per cent of the coaches and 20 per cent of wagons were overdue for replacement at the commencement of the Plan (this alone would have needed Rs. 2500 crore for their rehabilitation). The Indian Railways on the other hand was required to provide the necessary transport infrastructure for the traffic forecast by the year 2000. One of the obvious solutions in such a scenario was to scrap metre gauge system but since such an act would not have been acceptable, Indian Railways decided to re-arrange priority of funds available at its disposal to convert this liability (the metre gauge system) into an asset to come out of the unenviable position in which it was placed.

18. By reducing the cost of conversion, and utilising the money earmarked for metre gauge track renewal, Indian Railways decided to convert certain metre gauge routes into broad gauge which would serve as alternative routes or become part of the new BG corridor or which bypass a saturated BG route. As a result of conversion of the identified routes, certain new line projects, doubling and traffic facilities on BG and MG system either became redundant or got into low priority and the money earmarked in the VIII Plan for this purpose was therefore diverted for Gauge Conversion. Thus, within the same overall Plan size, the railways would be also to provide additional capacity on its enlarged BG system so as to meet the requirements of increased traffic. Staff cost constitutes more than 50 per cent of Indian Railways expenditure and since no additional staff is employed on these converted routes, as against additional staff requirement for new lines and doublings, such an investment in conversion projects is more productive.

19. Thus, according to the Ministry of Railways the criteria laid down by Committee set up by Indian Railways way back in 1971 and 1978 that

gauge conversion should be done on selective basis and only as a least cost alternative has been fully met with. Economic scenario for a country, as well as for a vast Railway network like Indian Railways is always changing and conclusions drawn in 1971 or in 1978 or in 1982 when the Railways were flugh with cheap government-aided money is not applicable *suo moto* to a situation existing in 1990. The need to change over to "Unigauge" was so obvious that situation did not warrant any further detailed study in addition to what had already been conducted in the past compounded by the massive cut in VIII Plan size and abnormal drop in plan subsidy by the Government.

20. The Committee are not convinced with the arguments advanced in favour of conversion of metre gauge lines into broad gauge. The Committee note that the disadvantages of multigauge system in the country were felt as far back as in 1853 but a policy decision was announced only in the year 1971 to convert metre gauge lines progressively into broad gauge. Even though the gauge conversion programme was kept on a very selective basis, keeping in view the relevant factors regarding its profitability etc., yet the Committee are not convinced why from 1992 onwards there has been a sharp and sudden increase in the expenditure on the gauge conversion programme even when the Railways had been facing severe resource crunch. The Committee are of the firm view that diversion of funds from other Plan Heads (particularly for track renewals) for gauge conversion have badly affected the developmental activities of the Railways in those areas. It is proved by the facts that due to bad condition of the tracks, serious accidents have taken place recently. The Committee have reasonable apprehensions that unless sufficient funds are provided for immediate improvement of tracks, more accidents may take place. They therefore cannot but express their strong disapproval of the sudden shift in the priorities. The Committee would like to know whether the gauge conversion programme as originally envisaged in the approved VIII Five Year Plan is being duly followed.

C. *Ignoring of vital areas of development*
(Observations/Recommendations Paras 65, 67, 69 & 70)

21. The Committee had, in their earlier Report, found that due to the likely drop in internal generation of funds from the projected level of Rs. 4640 crores to Rs. 4340 crores in the year 1993-94 it was decided by the Railways to effect a cut of Rs. 300 crores in the plan expenditure. In the process of exercising this cut, the major areas affected were the rolling stock, track renewals, etc. Despite this, an additional amount of Rs. 108 crores was provided for gauge conversion, thereby raising its total allocation from Rs. 810 crores to Rs. 918 crores for 1993-94. There too, the plea of the Ministry that gauge conversion programme would not affect adversely the services and other programme, except the metre gauge track renewals and track facilities did not seem to be true.

22. The Ministry of Railways in their Action Taken Note have stated that the amount required for gauge conversion of 6,000 Kms. in the 8th Plan amounting to Rs. 3,900 crores is being funded as under:—

(a) Amount provided for gauge conversion work in the original 8th Plan	Rs. 1200 crores
(b) Funds diverted from Plan Head Track Renewals due to avoided renewals of metre gauge	Rs. 1000 crores
(c) Funds diverted from avoided M.G. traffic facility works planned during the 8th Plan	Rs. 400 crores
(d) Funds saved due to avoided doublings/traffic facility works as a result of alternative route being developed through gauge conversion	Rs. 1300 crores
Total	Rs. 3900 crores

23. According to the Railway Ministry, other new lines, doubling passenger amenity works, rolling stock, electrification and other Heads are not being affected by the outlay being provided for gauge conversion and the entire amount has been found within the 8th Plan outlay by readjustment as explained above.

24. The Committee had expressed their fear that by exercising cut in different areas of railway network development programme such as laying of new lines, connecting new and inaccessible areas with the heartland, track renewals, doubling, electrification and upgradation of signalling and users amenities, the Ministry of Railways were ignoring the vital areas of development which ought to be developed simultaneously and systematically, if the good health of Indian Railways was to be maintained.

25. The Committee were constrained *inter alia* to observe that some of the important and critical areas of railway network development programme had been deferred or sacrificed altogether to save or divert funds for execution of much ambitious and ambiguous gauge conversion programme. In the opinion of the Committee the gauge conversion programme needed urgent review with a view to arranging the priorities of the various ongoing and future projects.

26. The Committee were of the opinion that their recommendations must be kept in mind by the Ministry of Railways while finalising the proposals for the Railway Budget for 1994-95.

27. The Ministry of Railways, in their action taken notes, have stated that funds for laying new lines connecting new and inaccessible areas with the heartland are made available to the Ministry as plan assistance. The Railways asked for Rs. 2950 crores for new lines in VIII Plan but were given only Rs. 900 crores. Hence, programme for construction of new lines had to be curtailed accordingly and this is in no way connected with the

gauge conversion programme. It was further stated that 'there has been no cut in the outlays on account of the gauge conversion programme, in the provision for track renewals, doublings except to the extent that certain doublings which lane become redundant due to the development of alternative routes not being taken up, electrification, upgradation of signalling and users amenities and all these facilities are being provided through the full outlay as provided in the 8th Five Year Plan.'

28. The Committee have also been informed that reprioritisation/ diversion of funds for gauge conversion has been done from MG track renewals, MG traffic facilities and BG traffic facilities/doublings no more considered essential on account of opening of new/alternative routes opened as a result of gauge conversion programme. It has been further stated that funds for gauge conversion programme have been found neither at the cost of deferment nor sacrifice of important and critical areas of Railway network development programme.

29. The Ministry of Railways have also submitted that the conversion programme could not be deferred in view of Railways obligation to carry increased traffic in the coming years on the various arterial routes. The Ministry have assured the Committee that no work is being done by jeopardizing the safety and security of the travelling public and that full care is being taken to execute the guage conversion project as per the laid down safety standards for broad gauge. It has been further stated that as desired by the Committee a review has been done in consultation with the Planning Commission on 30.12.1993 and the projects have been suitably prioritized. Details of alterations made in the Gauge Conversion Programme after reviewing it by the Ministry of Railways jointly with the Planning Commission are given in **Annexure-C.**

30. The Ministry of Railways in subsequent note dated 6.10.1994 have confirmed that the same metre gauge tracks which were earmarked for renewal have been converted or proposed to be converted in a broad guage.

31. While examining the Demands for Grants for the year 1994-95, the Committee found that there was massive allocation of funds to the tune of Rs. 1005.13 crores for gauge conversion in 1994-95, (compared to Rs. 952 crores in 1993-94) while there had been sharp reduction in fund allocation for new lines, (from Rs. 243.51 crores to Rs. 195.01 crores) doubling (from Rs. 211.09 crores to Rs. 150.21 crores) and traffic facilities (from Rs. 114.07 crores to Rs. 80.04 crores).

32. The Committee note that there was sharp increase in the allocation of funds for gauge conversion programme during 1994-95 and sizeable reductions in the allocation for new lines, traffic facilities etc. in

1994-95 as compared to 1993-94. They hope that the Ministry of Railways would take Committee's recommendations/observations made in their earlier Report seriously in regard to gauge conversion programme while finalising the Budget proposals for the year 1995-96.

33. During evidence, the Committee, inspite of the queries, did not get any satisfactory reply regarding the impact of gauge conversion on increase in traffic. So far benefits of such a massive gauge conversion programme have not yet been established.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 50)

The Committee note that the Committees set up by the Planning Commission and the Railways themselves have observed that the gauge conversion should be done on selective basis. In 1971 the Government announced its policy to have new lines only with broad gauge. However, the progress on conversions was slow on account of inadequate resources and high cost of conversion. The Committee which was set up in 1978 for upgradation of metre gauge and conversion of broad gauge has recommended that the gauge conversion should be taken up on selective basis and it is to be done only if it is the least cost alternative or if it was essential for operating considerations. The National Transport Committee appointed by the Planning Commission concluded that gauge conversion should be done where traffic density was heavy for transhipment at break up points caused severe bottlenecks. The Committee on Expansion of Railway Network (CERN) appointed by the Planning Commission identified 2902 kilometres of new lines and 2306 kilometres of conversion. It recommended that overriding priority should be given to strengthening of 4 major corridors viz. (1) New Coal Corridor; (2) North South Corridor; (3) Central India Corridor; and (4) North East Corridor. This policy of slow and selective conversion was followed till 1991-92, when only around 11 to 12 percent of the total allocation for railway network development was being made for gauge conversion.

Reply of the Government

Accepted in principle.

As desired by the Committee, immediately after receipt of the report in December, 1993, the gauge conversion programme was reviewed jointly with the Planning Commission on 30.12.93 and suitable alterations have been made in the programme to suit the objective of development of alternative routes and missing links for creating additional capacity, as laid down by various Committees. A note explaining the selection of routes is enclosed at **Annexure D.**

[M/O Rlys. (Rly. Board) DO No. 94/SCR/X/III(GC) dt. 21-7-94]

Recommendation (Para No. 51)

In 1992-93 budget, a significant change in railway policy regarding gauge conversion was announced by the Railway Minister in Budget Speech in February, 1992 when new thrust was given on gauge conversion and 52.5% of the total outlay for railway network development was earmarked for gauge conversion. Subsequently, the allocation for gauge conversion was also raised to Rs. 3900 crores earmarked in the draft Eighth Five Year Plan and it was proposed to convert a total of 6000 kms. into broad gauge in the Eighth Plan.

Reply of the Government: is given under Para No. 54.

Recommendation (Para No. 52)

In 1993-94 budget estimate of 61.6% of the total outlay for railway network development was earmarked for gauge conversion.

Reply of the Government: is given under Para No. 54.

Recommendation (Para No. 53)

As regard the reasons for such shift in the policy, the Ministry have stated that the percentage of total goods tonnage carried by metre gauge since 1950 has declined from 20.4% to 7.9% in 1990-91. Similarly the units of passenger traffic per kilometre has come down from 31.0% in 1950-51 to 1.02% in 1990-91.

Reply of the Government: is given under Para No. 54.

Recommendation (Para No. 54)

The Committee are of the view that though uniformity of gauge is an ideal objective which *inter alia* eliminates the transhipment cost for throgh passengers and goods and makes it easier for maintenance and repair infrastructure of track and rolling stock, etc. but the uni-gauge of the entire railway track besides requiring massive investment is not practicable at least in the coming 20—25 years. Besides, there are certain areas which will remain under metre-gauge for geological conditions of those areas. The Committee are not inclined to agree with the views of the Ministry of Railways that metre gauge was the only reason for low traffic being carried by metre gauge section of Indian Railways. The history of Indian Railways will confirm the position that broad gauge lines are laid along the heartland of the country through coal belt, steel belt and other industrially developed areas of the country. Railway conversion programmes indicate that as and when traffic potential increased, those sections of metre gauge were brought under broad gauge. Therefore, higher traffic goods and passenger traffic potential in the broad gauge sector was due to basic factor of industrialisation and development of mines, setting up of commercial establishment, etc. in those areas in earlier period.

Reply of the Government

The Ministry of Railways agree that unigauge of entire track is not practicable in 20—25 years. It is clarified that there is no proposal for converting the entire Railway track to broad gauge. The Railways have taken up an Action Plan for converting only selected NG/MG lines into BG during 8th and 9th Five Year Plan, as explained above. Although the implementation plan for converting 6,000 kms. in the 8th plan has been drawn up and there is every likelihood of achieving this target, the conversion of remaining 6,000 kms. during 9th plan will depend on the availability of resources. Conversion of 12,000 kms. would, more or less, meet the operational and strategic requirements of the Railways as well as of the country. Thereafter, only a few of the remaining lines as warranted by the then pattern of traffic may have to be converted. As regards the remaining metre gauge/narrow gauge lines these would be operated as follows:

(a) In certain sectors where a cluster of lines would remain *i.e.* in North Bihar, North Uttar Pradesh, Rajasthan and Tamil Nadu, these would be run as a self-contained metre gauge systems with supporting workshop and maintenance facilities. These facilities are being planned by suitable readjustment of work in the existing workshops in these sectors.

(b) Where isolated metre gauge feeder lines remain: These would be operated with captive rolling stock with required maintenance facilities to be locally created. For POH the rolling stock would be transported to MG workshops.

(c) Where metre gauge lines with very low levels of traffic remain: These would be serviced by rail buses which are being developed through RDSO and trade.

The Committee's observations that the metre gauge is not the only reason for low traffic is factually correct. In fact, there is nothing wrong with metre gauge per se. The problem is of multiplicity of gauges leading to transhipment losses which has hindered the growth of areas served by metre gauge particularly in view of the fact that all major industries and mines are located on the broad gauge network and investors have been hesitating from coming to metre gauge areas in view of the hazards of transhipment losses and inconvenience caused due to change of gauge. This lack of development in these areas is the reason for low traffic. Moreover, even those industries which have come up in the area have been preferring road transport in order to avoid transhipment.

[M/o Rlys. (Rly. Board) D.O. No. 94/SCR/X/III (GC) dt. 21.7.94]

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

Recommendation (Para No. 58)

The Committee have been informed that the Ministry of Railways have taken up the gauge conversion programme in an austerity way. As far as the Committee understand in the perception of the Railways, austerity means deferment of certain requirements which should be considered essential such as junction arrangements, suitable platforms, station buildings, etc. and other passenger facilities which are necessary from the point of view of safety and security of passengers and safe movement of trains. The Railways have pleaded that upgrading of signalling and other facilities could be taken up as and when traffic builds up on all these sections and if those facilities are provided right now, the whole programme will become costly. Thus the argument of the Ministry of Railways that they are undertaking gauge conversion in an austerity way *i.e.* spending Rs. 60 lakhs as against a much higher requirement for every kilometre of gauge conversion appears to be rather misleading. In the opinion of the Committee keeping the expenditure for gauge conversion towards lower side by effecting cut in the vital areas is going to effect safety of traffic movement and security of passengers. This by itself calls for immediate review and rectification of hazardous steps taken by the Railways.

Reply of the Government

Reduction in the cost of gauge conversion projects has been achieved without touching or deleting any item concerning safety of traffic movement and security of passengers. Thus, there is no reduction in the safety standards being followed in the gauge conversion projects. Facilities being provided are not lower than those in the existing M.G. system and in fact, in most of the cases except in isolated linked fingers the safety standards, equipment and amenities are superior to those to which the passengers were earlier used to on the metre gauge system. This Ministry would like to assure the Committee that no hazard would be allowed to be created while doing any work, whether it is gauge conversion or any other new line or doubling.

[M/o Rlys. (Rly. Board/D.O. No. 94/SCR/X/III (GC) dt. 21.7.94]

Recommendation (Para No. 59)

The Committee note that gauge conversion as a policy decision was taken up without undertaking economic feasibility study of conversion of

each section/conversion project of the railways and without the express approval of the Planning Commission. They find that the Union Minister of Railways in a letter addressed to the Deputy Chairman, Planning Committee, on 15 January, 1992, sought his approval for gauge conversion and support for the procedural reform of polling Depreciation Reserve Funds with selected allocated capital during Eighth Plan period. While according approval in principle the Deputy Chairman, Planning Commission, made it clear that "to enable our officers to undertake necessary procedural changes and make adjustments, it is essential for us to know the details of the conversion proposal and the implication of the diversion of funds to the scheme from other projects" and requested for those details to be set to them at the earliest. The Committee are constrained to observe that the position notes asked for by the Planning Commission with regard to each of the projects taken up for conversion have not be furnished to the Planning Commission so far.

Reply of the Government

The complete position was furnished to the Planning Commission on 19.11.93. A copy of the note sent is enclosed. *(Annexure-E)*

[M/o Rlys. (Rly. Board/D.O. No. 94/SCR/X/III (GC) dt. 21.7.94]

Recommendation (Para No. 60)

As per procedure, detailed studies in respect of each of these conversion projects and the possible implications of diversion of funds to the scheme from other projects should have been undertaken well in advance and got the projects cleared from the Planning Commission before undertaking the programme.

Reply of the Government

Detailed studies as regards the cost, traffic potential and the financial rate of return, have been carried out in respect of each of these conversion projects on the lines indicated by the Committee. The appreciation note enclosed indicates the details of surveys done, rate of returns, the traffic expected to use these routes etc. (Annexure-E). Based on this data, each project has been specifically cleared by the Planning Commission.

As diversion or re-prioritisation of funds is concerned, Railway Ministry would once again like to confirm that Rs. 3900 crores needed for gauge conversion projects during VIII Plan are sourced as under:

— Initial provision for gauge conversion Works in VIII Plan for Rajasthan (strategic) & Marathwada regions.	Rs. 1200 crores
— Avoided M.G. Track Renewals	Rs. 1000 crores

— Avoided M.G. Traffic facility works	Rs. 400 crores
— Postponed B.G. doublings & traffic	Rs. 1300 crores
— facility works.	
Total	Rs. 3900 crores

[M/o Rlys. (Rly. Board) D.O. No. 94/SCR/X/III (GC) dt. 21.7.94]

Recommendation (Para No. 61)

It is strange that the minimum requirements for furnishing requisite data has not been fulfilled even though more than 1½ years have elapsed when the actual programme of works was taken up. The timely furnishing of relevant basic information would have enabled the Planning Commission to undertake meaningful studies and scrutiny of each project *vis a vis* diversion of funds from other projects by suspending or postponing of those works. This is a serious lapse on the part of the Ministry of Railways and the Planning Commission who failed to exercise due scrutiny and check on the deployment of scarce public funds. They would like the Ministry of Railways (Railway Board) to look into the matter on priority basis and evolve suitable procedural safeguards especially when large scale diversion of funds from other projects are involved.

Reply of the Government

All the routes taken up for conversion have been duly approved by the Planning Commission which has gone into the aspects of capacity required sector-wise on the whole system and has not only approved the routes but also the time frame for conversion has been indicated in their letter of approval.

[M/o Rlys. (Rly. Board) D.O. No. 94/SCR/X/III (GC) dt. 21.7.94]

Recommendation (Para No. 62)

From the material placed before the Committee by the Ministry of Railways it appears that the Planning Commission gave approval to such an important policy change even without getting the basic information/data on the project-wise gauge conversion programme to be undertaken in a matter of just two days. It reveals that the Planning Commission did not follow their prescribed procedures/norms for clearing and sanctioning of the projects and without getting into implications of diversion of funds from the other important on going as well as planned projects.

Reply of the Government

Planning Commission was fully involved in finalising the VIII Five Year Plan for the Railways wherein conversion programme was already included. Thus, overall data was already available with them. However, it would not be proper for this Ministry to attempt to answer this query as it really relates to Planning Commission.

[M/o Rlys. (Rly. Board) D.O No. 94/SCR/X/III (GC) dt. 21.7.94]

Recommendation (Para No. 63)

The Committee note that the main objective of gauge conversion was uniform development of the country and also to enhance the carrying capacity of goods and passengers traffic on the proposed conversion routes by projecting heavy increase in the traffic due to development and industrialisation effected by gauge conversion in the coming years and also projecting the inherent constraints of the metre guage sections of Railways in the carrying capacity compared to broad gauge sections and the requirement to carry the traffic increase in the coming years. In this connection, the Committee would like to refer to the submission of a non-official witness, who happened to be a former Chairman of the Railway Board, before the Committee, who categorically stated that the traffic does not always increase merely with the gauge conversion, "more important fact is the new plants and factories that are going to come up in the region." The Committee are inclined to agree that traffic do not necessarily increase with gauge conversion and as a result additional amount put in gauge conversion will get blocked without giving proportionate return.

Reply of the Government

It is submitted that the Gauge conversion will result in elimination of transhipment bottlenecks, better utilisation of rolling stock by elimination of waiting periods for matching stocks at transhipment points and by the availability of alternative routes, sometimes shorter than the existing route as between Allahabad and Varanasi and Secunderabad and Bangalore etc. Moreover, since all major industrial development in the country as well as mineral wealth is located on the existing B.G. network, development of areas served by M.G. has not taken place. The conversion will give a boost to such development and will in turn generate additional traffic.

Gauge conversion projects would create additional B.G. routes on which traffic which is even otherwise increasing, would start traversing, thus providing relief to existing congested B.G. routes. It thus increases overall traffic capacity of Indian Railways. Thus, the amount spent on gauge conversion would start yielding good returns. Studies done in this regard for each and every project confirm this logic.

[M/o Rlys. (Rly. Board) D.O. No. 94/SCR/X/III (GC) dt. 21.7.94]

Recommendation (Para No. 64)

Carrying more passengers and goods traffic needs matching number of rolling stock, locomotives, coaches, wagons, etc. However, as per the information furnished to the Committee, it is seen that the projection for production/acquiring of locomotives, coaches and wagons for 1993-94 is less even than that of 1990-91 and 1992-93 and it has been further reduced due to cut in capital plan by Rs. 300 crores. From this, it is abundantly clear that by reducing the annual requirements of rolling stock in the coming years, the Ministry of Railways have not adhered to the pronounced objective of augmenting carrying capacity for goods and passengers through large scale conversion.

Reply of the Government

The requirement of rolling stock has been carefully worked out keeping in view the improved utilisation of existing rolling stock which would result from gauge conversion and of the expected condemnation of overaged rolling stock in the coming years. It has fully considered the gauge conversion programme and the No. of wagons, coaches and locomotives has been worked out considering all these parameters. Orders for rolling stock are being placed based on this actual requirement. The detailed information in this regard has already been supplied to the Committee.

[M/o Rlys. (Rly. Board) D.O. No. 94/SCR/X/III(GC) dt. 21.7.94]

Recommendation (Para No. 68)

Massive gauge conversion without providing even for the matching rolling stock, wagons, coaches, etc. is bound to create a sudden gap in the accompanying facilities and the basic objectives of gauge conversion would be defeated. This is likely to result in the higher freight rates for carrying goods and higher fares for the travelling public in the not unforeseenable future. The Committee would, therefore, urge upon the Ministry of Railways to restrain and review this policy of large scale gauge conversion immediately and revert to selective conversion whenever needed as recommended by various Committees and thus to utilise the funds available for other essential railway network development work, namely, new lines, doubling, track renewal, rolling stock, etc. for which there has been drastic and unjustified reduction in the outlay, whereby public interest and the interest of the public have greatly suffered.

Reply of the Government

Assessing requirement and procurement of rolling stock (locos, wagons and coaches) is done on Indian Railways as an annual exercise, which also takes into account requirements of newly converted sections. The same exercise is being done for accompanying facilities. Cost of carrying freight and passengers on BG is less than 50% of that on

MG. Hence, Railways' overall efficiency would increase with conversions, which in turn can be passed on to the users in due course of time. Hence, the apprehension that conversions would result in higher freight rates is not based on facts. In fact it is just the reverse of it.

As already stated in reply to para 3, Railways did a review of Gauge conversion schemes, jointely with Planning Commission, immediately on receipt of the report of the Standing Committee and routes selected are on a selective basis as per criteria recommended by various committees.

Reductions in outlays for new lines, track renewal, rolling stock and doublings are on account of overall reduction in VIII plan size and not on account of Gauge conversion programme, as already stated elsewhere.

(M.o Rlys. (Rly. Boards) D.O. No. 94/SCR/X/III(GC) dt. 21.7.94]

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Para No. 55)

The reasons which promoted the sudden shift in the policy of gauge conversion appears to be direction issued by the Minister of Railways who wanted that gauge conversion as a policy to be reviewed. On further perusal of the matter, the Committee find that one non-official who is now Transport Advisor of World Bank sent a detailed proposal for gauge conversion as a step to achieve the desired goal already set out by the Minister. The non-official advisor of the Railway Minister further suggested that there was no need to undertake any indepth study on the issue, thus, the Committee can reasonably conclude that the sudden shift in the policy of gauge conversion was made at the instance of the Railway Minister whose only aim was to convert certain metre gauge lines to broad gauge irrespective of their economic benefit and without waiting for any proper, far less any detailed study of reports regarding requirements of rolling stock, traffic projections and other infrastructure required for passenger facilities and amenities etc.

Reply of the Government : is given under Para No. 57.

Recommendation (Para No. 56)

A former Chairman of the Railway Board, who appeared as on-official witness before the Committee when asked why he did not give his views about selective gauge conversion in the General Managers' Meeting held on 6-7 January, 1992 which was presided over by the Ministry of Railways, he stated: "Yes, Minister presided over one or two meetings and it is his views which ultimately prevail.....when the final decision is taken at the top, it has to be implemented."

Reply of the Government: is given under Para No. 57

Recommendation (Para No. 57)

The Committee fail to appreciate how such an important decision of large scale gauge conversion requiring massive investment of funds and whose materialisation was still doubtful in the absence of detailed study and proven data, could be imposed on Railways by the Minister himself sidetracking other areas of railway network development and ignoring the views of the experts that a complete uni-gauge system cannot be introduced in Indian Railways altogether and to the extent desired in the coming 20 or 25 years.

Reply of the Government

This inference is not warranted by facts nor the change in policy was made at the instance of the Minister on any adhoc basis. It was necessitated by the steep reduction in the size of the 8th plan from Rs. 45000 crs. to Rs. 27000 crs. without reduction in the targets of traffic to be handled which necessitated development of alternative routes within the reduced resources to augment capacity for carrying the traffic projected at the end of the plan period. Since 80% of the traffic is carried by the diagonals and the quadrilateral, where doubling and improved signalling have already been provided, augmentation by conventional means would have required construction of 3rd and 4th lines involving heavy investments. On the other hand gauge conversion of MG lines, often providing shorter routes could be achieved at a fraction of the cost and would provide the required additional carrying capacity. Moreover, the MG system had over-aged track, wagon, coaches, and locomotives which required Rs. 2500 crores for rehabilitation. It is in this context that extensive gauge conversion was planned. The planning was done in consultation with the Planning Commission and in each case the traffic potential was reviewed before taking up the work. As far as rolling stock requirements are concerned, the total impact of gauge conversion and the associated additional requirement of B.G. stock have been worked out and the rolling stock manufacturing programme for the remaining years of the VIII Plan has been suitably revised to ensure that the rolling stock required for running the services on gauge converted routes is fully available.

Every effort is made to ensure that the facilities and amenities provided on the converted line are not in any way inferior to the facilities existing on the MG line. In fact while planning each work, care is taken to ensure provision of superior facilities to what the rail users were getting on the MG.

[M/o Rlys (Rly Board) D.O. No. 94/SCR/X/III(GC) dt. 21-7-94]

Revised Reply of the Government

The Committee fail to appreciate how such an important decision of large scale gauge conversion requiring massive investment of funds and whose materialisation was still doubtful in the absence of detailed study and proven data, could be imposed on Railways by the Minister himself side-tracking other areas of railway network development and ignoring the view of the experts that a complete uni-gauge system cannot be introduced in Indian Railways altogether and to the extent desired in the coming 20 or 25 years.

1. The reasons which necessitated a shift in the policy towards Gauge Conversion were as under:—

(i) Planning Commission had laid down targets of Freight (418 M.T.) and Passenger Traffic (38 Billion PKMs) to be achieved by the Railways at the end of 8th Plan and accordingly, Ministry of Railways prepared a plan of Rs. 45,600 crores size. However, Planning Commission approved the 8th Plan of size Rs. 27,202 crores while maintaining the original targets. With such a drastic reduction, the funds available for building up the capacity of the system got drastically curtailed which necessitated re-prioritisation of various items of the 8th Plan and the policy of increased emphasis on gauge conversion flowed out of it (since the money available for the network expansion in the form of new lines and doublings was drastically curtailed).

(ii) The Metre Gauge system was an economic liability of the Indian Railway System with an operating ratio of 171 as against 81 for the BG system. Rs. 2500 crores were required for rehabilitation of its overaged tracks, wagons, coaches and locomotives whereas availability of funds was such that Indian Railways could not even complete rehabilitation of its BG system fully during the 8th Plan.

(iii) 80% of the traffic on Indian Railways is carried by the diagonal and quadrilateral routes joining 4 metropolitan cities of Bombay, Delhi, Calcutta and Madras where doubling and improved signalling system have already been provided. Augmentation of capacity of these routes by conventional means would have required 3rd and 4th lines involving heavy investment and further congesting the already industrialised centres on these routes. In comparison gauge conversion provided opportunity, at a much lesser cost, by providing alternative routes and thus creating the required additional carrying capacity to the Indian Railway System.

(iv) The MG system had been a disincentive to the industrial and business community to set up industries in areas served by MG leading to unbalanced economic development of the country (basically due to delays and transhipment problems at change of gauge points). By expanding the BG network through gauge conversion, Railway have been creating a more favourable climate for investment for the industries in such areas, in step with the liberalisation of economic policies of the Government and new economic scenario.

(v) The reduction in the budgetary support in 8th Plan to a meagre 18% from the earlier figure of 75% in the 5th Plan forced the Railways to increasingly fund its plan from its own resources which was not possible had the MG system been retained by the Railways. In such an eventuality, large sums of money earned by the Railways from its BG system would have been funnelled to make up the loss on its MG system.

2. Thus, it would be seen that the revised emphasis on gauge conversion was an exercise for reshaping the railway network to correct its imbalances and to provide a stable bottleneck-free transport system under the circumstances in which it was placed, as described above.

3. It is true that Transport Adviser of World Bank gave certain suggestions, including that of gauge conversion, for improvement of the Indian Railway System to achieve the goals of 8th Plan, upon which the Ministry of Railways ordered convening of a Conference of Railway Board Members, GMs and even retired top officials to consider the subject of gauge conversion *vide* Minister of Railways' note dated 24.12.91 and make recommendations. After detailed deliberations, the Minister of Railways ordered information of a Committee consisting of ME, FC & MT to prioritise the works. As a result of the recommendations of this Committee, an Action Plan for Gauge Conversion was framed and each route to be taken up for gauge conversion was defined and prioritised. For each route, an economic benefit study was got done and approved by the Planning Commission. Concurrently, the requirements of Rolling Stock, Traffic Projections and other infrastructure required for gauge converted routes were worked out and are being taken into consideration to ensure that the rolling stock required for running the services on gauge converted routes is fully available.

4. As pointed out by the Committee, it is true that conversion of the total MG system into BG will not be possible in the coming 20-25 years nor it is so envisaged under the 'Unigauge Project'. Infact, the criteria laid down by the Committees set up by Indian Railways way back in 1971 and 1978 that gauge-conversion should be done on selective basis and only as a least cost alternative has been fully met with. Gauge conversion is presently limited for routes which provide alternative routes on conversion in lieu of doubling of nearby BG lines to generate additional capacity required on operational considerations and the residual MG system will be operated in six MG clusters having a sizeable group of MG network which will be operated with normal MG services.

5. Thus, it will be seen that the policy has not been imposed by the Hon'ble Minister but has been evolved as a logical and viable one under the circumstances in which Railways were placed where on one hand, the money for expansion of BG network was not just available whereas on the other hand, it was burdened with an uneconomic MG network with overaged assets needing large sums of money for replacement/rehabilitation. It was thus a decision to convert this liability (MG system) into an asset.

[M/o Rlys (Rly Board) D.O. No. 94/SCR/X/III (GC) dt. 5-10-94]

Comments of the Committee

(Pl. see paragraphs No. 7, 8 & 9 of Chapter I of the Report)

Recommendation (Para No. 65)

The Committee find that due to the likely drop in internal generation of funds from the projected level of Rs. 4640 crores to Rs. 4340 crores in the current year, it has been decided by the Railways to effect a cut of Rs. 300 crores in the plan expenditure. In the process of exercising this cut the major areas affected are the rolling stock, track renewals, etc. Despite this, an additional amount of Rs. 108 crores has been provided for gauge conversion, thereby raising it's total allocation from Rs. 810 crores to Rs. 918 crores for 1993-94. Here too the plea of the Ministry that gauge conversion programme would not affect adversely the services and other programme, except the metre gauge track renewals and track facilities, does not seem to be true.

Reply of the Government

It is submitted that the amount required for gauge conversion of 6,000 kms. in the 8th Plan amounting to Rs. 3,900 crores is being funded as under:—

(a) Amount provided for gauge conversion work in the original 8th Plan — Rs. 1200 crores.

(b) Funds diverted from Plan Head Track Renewals due to avoided renewals of metre gauge — Rs. 1000 crores.

(c) Funds diverted from avoided M.G. traffic facility works planned during the 8th Plan — Rs. 400 crores.

(d) Funds saved due to avoided doublings/traffic facility works as a result of alternative route being developed through gauge conversion — Rs. 1300 crores.

Total — Rs. 3900 crores.

From this it will be clear that other new line, doubling, passenger amenity works, rolling stock, electrification and other heads are not being affected by the outlay being provided for gauge conversion and the entire amount has been found within the 8th Plan outlay by readjustment as explained above.

[M/o Rlys (Rly Board) D.O. No. 94/SCR/X/III (GC) dt. 21-7-94]

Comments of the Committee

(Pl. see paragraphs No. 32 & 33 of Chapter I of the Report)

Recommendation (Para No. 66)

The Committee are not averse to upgradation of Indian Railway network. They would prefer if the entire railway lines could be brought under broad gauge. But, unfortunate part of this project is that the large

scale gauge conversion programme involving massive investment has been undertaken by the Railways without an indepth study and analysis and the economics of the proposal. Such diversion of funds is being resorted to on a single project materialisation of which is doubtful especially at a time when the Railways are facing a severe resource crunch. Thus, a situation has been created where the Committee can not help concluding that this unrealistic project has been taken up only to "realise the dream" of the Minister, as stated by the Transportation Consultant, World Bank.

Reply of the Government

To remove this apprehension, we shall have to go back to find out how the Indian Railways have been trying to cope up to get rid of uneconomic drag of multiple gauges for more than last two decades. Although disadvantages of having a multi-gauge system in the country were recorded as far back as 1853, it was for the first time in 1971 that a policy-decision was announced in Railway Minister's Budget Speech that existing metre gauge lines would be progressively converted into broad gauge so as to work towards a unigauge system. Besides laying down that new lines to be constructed in future would be broad gauge only, this policy-decision was followed by sanctioning of gauge conversion work of 4000 km. of routes. The programme, however, could not take off due to inadequate availability of resources as cost of conversion, as then envisaged, was almost equal to the cost of a new line.

Thereafter, in 1975 IR modified its aforesaid policy and decided, instead, to upgrade the metre gauge system and to take up conversion into broad gauge only on selective basis provided it is least cost alternative or it was essential on operating considerations. As a follow-up of this decision, two routes on metre gauge (Delhi-Ahmedabad and Madras-Madurai) were upgraded at a considerable cost and three superfast trains at 100 kmph were run on these routes, but no other further improvement could be brought out due to lack of resources, such as higher axle-load wagons, higher H.P. locomotives, better quality coaches etc.

The trend of freight traffic from the regions served by metre gauge kept on declining as it failed to win investors' confidence due to lack of proper transport infrastructure (lesser capacity & problems of transhipment). Thus an acute situation was arising on IR where, while metre gauge traffic was continuously going down as a proportion of overall traffic carried by the Indian Railways (9 per cent of freight traffic and 16 per cent of passenger traffic as against 38 per cent of route kms.), the system as a whole was required to carry more traffic in consonance with the growing economy of the country.

Planning Commission, therefore, appointed a Committee on Expansion of Railway Network (CERN) in 1987 headed by Shri M. Menezes, Ex-Chairman, Railway Board, who recommended construction of 2902 kms. of new BG lines and conversion of 2306 kms. of MG route to generate

additional capacity to match the increased demand for transportation of carrying 600 million tonnes of freight and 4500 million passengers by the year 2000. In addition, doubling of 4000 kms. of existing route was considered necessary to carry this anticipated traffic. To meet this target of freight and passenger traffic, Indian Railways prepared VIII Plan of Rs. 45,600 crore, but owing to severe resource constraint, the Plan size was cut down to Rs. 27,202 crores.

Thus, IR were confronted with an awkward situation whereby, on one hand, the money for expansion of the BG network was not just available whereas on other hand, it was burdened with an uneconomical metre gauge network where the operating ratio was 171 (v/s 81 for broad gauge) and where 5000 kms. of track, 30 per cent of the coaches and 20 per cent of wagons were overdue for replacement at the commencement of the plan (this alone would have needed Rs. 2500 crore for their rehabilitation). The IR on the other hand was required to provide the necessary transport infrastructure for the traffic forecast by the year 2000. One of the obvious solutions in such a scenario was to scrap metre gauge system but since such an act would not have been acceptable, IR decided to re-arrange priority of funds available at its disposal to convert this liability (the metre gauge system) into an asset to come out of the unenviable position in which it was placed.

By reducing the cost of conversion, and utilising the money earmarked for metre gauge track renewal, IR decided to convert certain metre gauge routes into broad gauge which would serve as alternative routes or become part of the new BG corridor or which bypass a saturated BG route. As a result of conversion of the identified routes, certain new line projects, doublings and traffic facilities on BG and MG system either became redundant or got into low priority and the money earmarked in the VIII Plan for this purpose was therefore diverted for Gauge Conversion. Thus, within the same overall Plan size, the Railways would be able to provide additional capacity on its enlarged BG system so as to meet the requirements of increased traffic. Staff cost constitutes more than 50 per cent of IR's expenditure and since no additional staff is employed on these converted routes, as against additional staff requirement for new lines and doublings, such an investment in conversion projects is more productive.

Thus, the criteria laid down by Committee set up by IR way back in 1971 and 1978 that gauge conversion should be done on selective basis and only as a least cost alterative has been fully met with. Economic scenario for a country, as well as for a vast Railway network like IR, is always changing and conclusions drawn in 1971 or in 1978 or in 1982 when the Railways were flush with cheap Government-aided money is not applicable *suo-moto* to a situation existing in 1990s. The need to change over to "Unigauge" was so obvious that situation did not warrant any further

detailed study in addition to what had already been conducted in the past compounded by the massive cut in VIII Plan size and abnormal drop in plan subsidy by the Government.

[M/o Rlys (Rly Board) D.O. No. 94/SCR/X/III (GC) dt. 21.7.94]

Comments of the Committee

(Pl. *See* Paragraph No. 20 of Chapter I of the Report)

Recommendation (Para No. 67)

The Committee are afraid that by exercising cut in different areas of railway network development programme such as laying of new lines connecting new and inaccessible areas with the heartland, track renewals, doubling, electrification and upgradation of signalling and users amenities, they are ignoring the vital areas of development which ought to be developed simultaneously and systematically if the good health of Indian Railways is to be maintained.

Reply of the Government

As already explained to the Committee, funds for laying new lines connecting new and inaccessible areas with the heartland are made available to Ministry of Railways as plan assistance. Railways asked for Rs. 2950 crores for new lines in VIII Plan but were given only Rs. 900 crores Hence, programme for construction of new line had to be curtailed accordingly and this is no way connected with the Gauge conversion programme.

As already explanied above, there has been no cut in the outlays on account of the Gauge conversion programme, in the provision for track renewals, doublings except to the extent that certain doublings which became redundant due to the development of alternative routes not being taken up, electrification, upgradation of signalling and users' amenities and all these facilities are being provided through the full outlay as provided in the 8th Five Year Plan.

[M/o Rlys (Rly Board) D.O. No. 94/SCR/X/III(GC) dt. 21.7.94]

Comments of the Committee

(Pl. *See* Paragraphs No. 32 & 33 of Chapter I of the Report)

Recommendation (Para No. 69)

Notwithstanding the merits and shortcomings of various proposals discussed in the foregoing paragraphs the Committee are constrained to observe that some of the important and critical areas of railway network development programmes have been deferred or sacrificed altogether to save or divert funds for execution of much ambitious and ambiguous Gauge conversion programme. Media reports indicate that traffic targets of Railways has not materialised in the initial months of the financial year as projected by the railway planners. Derailment of rail and rail accidents

minor or major, due to ill-maintained vulnerable rail-tracks or poor signalling system are events of the day, if the media information is of any credence. Gauge conversion is one area which could be deferred or implemented in workable phases without jeopardising the safety and security of travelling public and valuable railway property. In the opinion of the Committee the project needs urgent review with a view to rearrange the priorities of the various ongoing and future projects.

Reply of the Government

As already explained, re-prioritisation/diversion of funds for Gauge conversion has been done from MG track renewals, MG traffic facilities and BG traffic facilities/doublings no more considered essential on account of opening of new/alternative routes opened as a result of Gauge conversion programme. It would thus be appreciated that funds for Gauge conversion programme have been found neither at the cost of deferment nor sacrifice of important and critical areas of Railway network development programme.

This Ministry would like to re-submit that the conversion programme could not be deferred in view of Railways obligation to carry increased traffic in the coming years on the various arterial routes, as explained in Annexure-D. This Ministry would like to assure the Committee that no work is being done by jeopardising the safety and security of the travelling public. Full care is being taken to execute the Gauge conversion project as per the laid down safety standards for broad gauge. As desired by the Committee, a review has been done in consultation with the Planning Commission on 30.12.1993 and the projects have been suitably prioritised.

A statement showing the revised programme is enclosed at *Annexure-F.*

[M/o Rlys (Rly Board) D.O. No. 94/SCR/XIII(GC) dt. 21.7.94]

Comments of the Committee

(Pl. *See* Paragraphs No. 32 & 33 of Chapter I of the Report)

Recommendation (Para No. 70)

The Committee are of the view that these recommendations should be borne in mind by the Minister of Railways while finalising the proposals for the Railway Budget for 1994-95.

Reply of the Government

As desired by the Committee, immediately after receipt of the report in December, 1993, the Gauge conversion programme was reviewed jointly with the Planning Commission on 30.12.93 and suitable alterations have been made in the programme to suit the objective of development of alternative routes and missing links for creating additional capacity, as laid down by various Committees.

[M/o Rlys (Rly Board) D.O. No. 94/SCR/XIII (GC) dt. 21.7.94]

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES OF GOVERNMENT ARE STILL AWAITED

-NIL-

NEW DELHI;
25 January, 1995
5 Magha, 1916 (Saka)

SOMNATH CHATTERJEE
Chairman,
Standing Committee on Railways.

ANNEXURE A

(Pl. refer to Page No. 5)

Revised Reply of Para No. 57

ACTION TAKEN BY THE MINISTRY OF RAILWAYS ON 3RD REPORT OF THE STANDING COMMITTEE ON RAILWAYS ON "GAUGE CONVERSION ON INDIAN RAILWAYS"

The Committee fail to appreciate how such an important decision of large scale Gauge conversion requiring massive investment of funds and whose materialisation was still doubtful in the absence of detailed study and proven data, could be imposed on Railways by the Minister himself side-tracking other areas of railway network development and ignoring the view of the experts that a complete unigauge system cannot be introduced in Indian Railways altogether and to the extent desired in the coming 20 or 25 years.

Revised Reply of the Government

1. The reasons which necessitated a shift in the policy towards Gauge Conversion were as under:—

(i) Planning Commission had laid down targets of Freight (418 M.T.) and Passenger Traffic (38 Billion PKMs) to be achieved by the Railways at the end of 8th Plan and accordingly, Ministry of Railways prepared a plan of Rs. 45,600 crores size. However, Planning Commission approved the 8th Plan of size Rs. 27,202 crores while maintaining the original targets. With such a drastic reduction, the funds available for building up the capacity of the system got drastically curtailed which necessitated re-prioritisation of various items of the 8th Plan and the policy of increased emphasis on Gauge conversion flowed out of it (since the money available for the network expansion in the form of new lines and doublings was drastically curtailed).

(ii) The Metre Gauge system was an economic liability of the Indian Railway System with an operating ratio of 171 as against 81 for the BG system. Rs. 2500 crores were required for rehabilitation of its overaged tracks, wagons, coaches and locomotives whereas availability of funds was such that Indian Railways could not even complete rehabilitation of its BG system fully during the 8th Plan.

(iii) 80% of the traffic on Indian Railways is carried by the diagonal and quadrilateral routes joining 4 metropolitan cities of Bombay, Delhi, Calcutta and Madras where doubling and improved signalling system have already been provided. Augmentation of capacity of these routes by conventional means would have required 3rd and 4th lines involving heavy investment and further congesting the already industrialised centres on these routes. In comparison Gauge conversion provided opportunity, at a

much lesser cost, by providing alternative routes and thus creating the required additional carrying capacity to the Indian Railway System.

(iv) The MG system had been a disincentive to the industrial and business community to set up industries in areas served by MG leading to unbalanced economic development of the country (basically due to delays and transhipment problems at change of gauge points). By expanding the BG network through Gauge conversion, Railway have been creating a more favourable climate for investment for the industries in such areas, in step with the liberalisation of economic policies of the Government and new economic scenario.

(v) The reduction in the budgetary support in 8th Plan to a meagre 18% from the earlier figure of 75% in the 5th Plan forced the Railways to increasingly fund its plan from its own resources which was not possible had the MG system been retained by the Railways. In such an eventuality, large sums of money earned by the Railways from its BG system would have been funnelled to make up the loss on its MG system.

2. Thus, it would be seen that the revised emphasis on Gauge conversion was an exercise for reshaping the railway network to correct its imbalances and to provide a stable bottleneck-free transport system under the circumstances in which it was placed, as described above.

3. It is true that Transport Adviser of World Bank gave certain suggestions, including that of Gauge conversion, for improvement of the Indian Railway System to achieve the goals of 8th Plan, upon which the Ministry of Railways ordered convening of a Conference of Railway Board Members, GMs and even retired top officials to consider the subject of Gauge conversion *vide* Ministry of Railways' note dated 24.12.91 and make recommendations. After detailed deliberations, the Minister of Railways ordered formation of a Committee consisting of ME, FC & MT to prioritise the works. As a result of the recommendations of this Committee, an Action Plan for Gauge conversion was framed and each route to be taken up for Gauge conversion was defined and prioritised. For each route, an economic benefit study was got done and approved by the Planning Commission. Concurrently, the requirements of rolling stock, Traffic Projections and other infrastructure required for Gauge converted routes were worked out and are being taken into consideration to ensure that the rolling stock required for running the services on Gauge converted routes is fully available.

4. As pointed out by the Committee, it is true that conversion of the total MG system into BG will not be possible in the coming 20-25 years nor it is so envisaged under the 'Unigauge Project'. Infact, the criteria laid down by the Committees set up by Indian Railways way back in 1971 and 1978 that Gauge conversion should be done on selective basis and only as a least cost alternative has been fully met with. Gauge conversion is

presently limited for routes which provide alternative routes on conversion in lieu of doubling of nearby BG lines to generate additional capacity required on operational considerations and the residual MG system will be operated in six MG clusters having a sizeable group of MG network which will be operated with normal MG services.

5. Thus, it will be seen that the policy as a logical and viable one under the circumstances in which Railways were placed where on one hand, the money for expansion of BG network was not just available whereas on the other hand, it was burdened with an uneconomic MG network with overaged assets needing large sums of money for replacement/rehabilitation. It was thus a decision to convert this liability (MG system) into an asset.

ANNEXURE B

(Please refer to Page Nos. 6)

MASIHUZZAMAN
सचिव, रेलवे बोर्ड
Secretary, Railway Board

भारत सरकार
रेल मंत्रालय (रेलवे बोर्ड)
नई दिल्ली-110001
GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS
(RAILWAY BOARD)
NEW DELHI-110001

D.O.No.92/Secy/GMs'Mtg/1. 1st January, 1992

A copy of the MR's note dated 24.12.1991 regarding General Managers' Meeting on 6th and 7th January, 1992 at Bangalore would have reached you by now. As already conveyed on phone, you may now bring with you either your CE or CAO(Const.) Other Officers i.e. CME, COPS and FA & CAO are not required to attend the meeting.

On both the days the meeting will start at 10.00 hrs. in the Meeting Room of DRM's Office at Bangalore. It is expected that the meeting will conclude by lunch on the second day.

A copy of the brief on Gauge Conversion prepared by Planning Directorate of Railway Board is attached. In addition the following topics would also come up for discussion:

1. Safety
2. Economy in expenditure.

Wishing you a very HAPPY NEW YEAR.

Yours sincerely,

Sd/-
(Masihuzzaman)

Issued to all General Managers (Open Line) and GM/NF(C)
Copy to :

CRB, FC, ME, ML, MM, MS, MT.

DPG, PS to MR and PS to MOS(R)

Copy to : Adv(P), Adv(B) and ED (Safety). They are requested to send 40 copies of briefs latest by 12.00 on 2.1.1992 positively.

ANNEXURE C

(Please refer to Page No. 19)

ALTERATIONS MADE IN THE GAUGE CONVERSION PROGRAMME AFTER REVIEW

1. Miraj-Latur targeted for completion during 8th Plan deleted from 8th Plan.
2. Luni-Munabao (297 kms.) targeted for completion in 8th Plan shifted to 9th Plan.
3. Linked fingers of Lumding-Dibrugarh shifted from 8th Plan to 9th Plan.
4. Villupuram-Jambrau (129 kms.) and Trichy-Villupuram (81 kms.) and Trichy-Dindigul (93 kms.) shifted from 8th Plan to 9th Plan.
5. Guntakal-Kalluru shifted to 9th Plan.
6. Jabalpur-Nainpur shifted to 9th Plan.
7. Narkatiaganj-Gorakhpur and Hajipur-Bachchwara shifted to 9th Plan.
8. Agra-Bandikui added in 8th Plan.

ANNEXURE D

(Please refer to page No. 21)

NOTE EXPLAINING THE SELECTION OF ROUTES

Indian Railways will be required to carry about 25% additional goods traffic during the 9th Five Year Plan. A similar increase is also anticipated in the 9th Plan. Thus, the Railways will be required to carry an additional 180 million tonnes of traffic in 10 years against 338 million tonnes loaded in 1991-92. While on the one hand there is urgent need for generating additional capacity, the vast MG/NG system continues to run in more and more losses carrying less and less traffic with each passing year. On the other hand the diagonals and the Quadrilaterals on the Indian Railway system which carry bulk of the traffic are under severe strain, and unless relief is provided by developing alternative routes, investments on the existing BG routes will bring only disproportionately low returns. At the same time the Railways' obligation to maintain the MG system at a satisfactory level of efficiency will also call for investments.

In the past the Railways have been debating whether the MG sections should be converted or upgraded. Some sections were taken for conversion in a haphazard manner which resulted in the Railways having parallel MG lines. And some of the conversions were done more on political reasons than on operational considerations. The MG upgradation also did not take-off in a big way, except for one or two routes. The net result of this ambivalence has been that we have 5000 kms. of MG track overdue renewal, 30% of coaches and about 20% of wagons are due replacement. The MG system continues to be handicapped and the operating ratio of MG is 171 against 81 on the BG. Broad gauge network on the Indian Railways which forms only 56% of the total route kilometre carries over 90% of the freight traffic and around 84% of passenger traffic. On the other hand, the metre-gauge system representing around 38% of the total route kilometre moves only 9% of freight traffic and 16% of the passenger traffic.

One of the main fixation which the Railways in the past suffered from is that the MG system has necessarily to be continued even as an inefficient system and a link has to be maintained between North and South. At no time the concept of alternative route was examined in all seriousness. Nor was the validity of the continuity of MG system questioned. A close look would reveal that a discontinuous MG system would be more viable with the support of a BG network also serving the area.

The scope for creating additional capacity on the saturated BG sections has progressively reduced requiring disproportionately large investments and would involve dislocation of traffic during execution of works. An exercise carried out by all Railways about 2 years ago established the urgent need for doubling of 4000 kms. of existing BG network to generate additional capacity to match the increased demand for transportation.

In view of the resource crunch faced by the country, the plan size has been reduced from Rs. 45,500 crores to Rs. 27,202 crores for the 8th Plan. Indian Railways is today faced with twin problems of rehabilitation of track and rolling stock and generation of additional transport capacity. With the reduced plan size, after providing for rehabilitation/replacement of tracks and rolling stock, very little money is left for capacity generation. Faced with this constraint a fresh look had to be taken on the plan priorities. It was seen that Rs. 1800 crores was required for wiping out the arrears of replacement of overaged MG tracks. In any case, a minimum amount of Rs. 1,200 crores was required to replace overaged tracks on important routes so as to maintain safety and operational viability. It was apparent that it would be more economical to go in for gauge conversion of selected MG routes to provide alternative passage for the movement of traffic, thus creating additional transport capacity. This would also enable the Railways to cut the operational and maintenance losses of MG.

Further more, 1574 kms. of MG track was in any case to be converted to BG for strategic reasons in the State of Rajasthan during the 8th plan. 601 kms. of gauge conversion in Marathwada area, taken up in 1974-75, had also to be completed in the 8th plan for development of the backward regions. Keeping the strategic and development priorities, a minimum of Rs. 1,200 crores was necessary for progressing gauge conversion works during the 8th plan. Thus, a total outlay of Rs. 2,400 crores was required to be provided for MG renewals and completion of ongoing gauge conversion works during the 8th plan.

In addition Rs. 400 crores was provided for traffic facility works on the MG network for carrying additional traffic.

The gauge conversion programme requires Rs. 3,900 crores in the 8th plan. This amount has been located purely by the adjustments amongst the plan outlays for different categories of works to achieve the twin objectives of generation of additional capacity and tackling the arrears of replacement of assets.

In addition, the need for doubling and traffic facility works costing about Rs. 1,900 crores required for augmenting transport capacity on the existing BG network has been obviated by gauge conversion programme to a large extent.

The gauge conversion programme aims at generation of substantial transport capacity in the country by opening up alternative routes to ease the congestion on the present Broad Gauge trunk routes which are working to saturation. Gauge conversion of most of the routes will have a large impact on the economic growth of the country and provide operational advantage to the Railways.

The new route from Bhatinda to Mathura *via* Rewari will act as a Delhi bye-pass for movement of fertilisers, POL and foodgrains traffic to and from the States of Haryana and Punjab and thus reduce congestion in Delhi area.

Similarly the 98 km. link between Sitapur and Burhwal would reduce congestion in Lucknow area by providing a bye-pass route for the foodgrain traffic from Punjab and Haryana to the N.E. States.

Conversion of Allahabad-Varanasi section would make available a third line between Mughalsarai and Allahabad and also provide a direct link between Allahabad to North Bihar and the N.E. Region *via* Chappra-Muzaffarpur-Katihar reducing the congestion on the Eastern Railway main line *via* Patna.

The conversion of Delhi-Jaipur-Ahmedabad MG route is aimed to relieve congestion on Delhi-Baroda Rajdhani route besides providing a shorter and direct BG access for the ports of Porbandar, Okha and Kandla to their hinterland in Northern India. With an alternative route for movement of traffic on the critical Godhra-Ratlam section, the 300 kms. long new line between Godhra and Indore would not be required.

Jabalpur-Gondia-Chanda narrow gauge route will provide an alternative North-South route avoiding the congested Nagpur-Wardha-Ballarshah route.

Gauge conversion of Secunderabad-Guntakal route will open a shorter route from Secunderabad to Bangalore avoiding doubling on Wadi-Guntakal section and giving relief to the GT route avoiding possible provision of a third line between Vijayawada and Gudur.

The programme of gauge conversion on South Central Railway provides for a straight BG route between the West Coast and East Coast lines linking Goa and Vijayawada *via* Hubli, Hospet, Guntakal and Guntur. The new BG link between Madras and Trivandrum *via* Trichy, Madurai and Tuticorin would provide the much needed relief to the Madras-Jollarpet-Cochin route in the Southern States of Tamil Nadu and Kerala. The gauge conversion in Southern India when viewed in Juxtaposition with Konkan Railway provides the necessary infrastructure in the region for handling coaching as well as freight traffic besides improving the operational viability of the railway network.

The conversion of sections namely, Manmad-Adilabad-Parli; Miraj-Londa-Bangalore; Secunderabad-Dronachalam and Guntur-Guntakal in the Southern region would avoid over 500 kms. of doubling works on the existing BG network in that region. Similarly, doubling of Muzaffarpur-Lucknow section would no longer be required due to gauge conversion programme taken up on the N.E. Railway. In fact a total of 1,400 kms. which were earlier identified for doubling at a cost of around Rs. 1,500 crores would no longer be required to be doubled in view of planned gauge conversion programme on Indian Railways during the 8th Plan.

After the routes were selected, an implementation plan was drawn up keeping in view the provisions made for traffic facility works in the 8th Plan and the need for additional transport capacity to handle the

projected demand at the end of the 8th Plan. The funds required for implementation of the gauge conversion programme amounting to Rs. 3,900 crores have been provided in the outlay for the 8th Plan under the relevant planheads.

It has been decided to keep the cost low by providing the barest minimum facilities for junction arrangements, platforms, station buildings etc. in the initial stage. In order to economise on time and money, no need had been felt to conduct detailed engineering surveys except on sections where large scale re-alignment and diversion of traffic would be necessary owing to long heavy gradients or pre-ponderence of sharp curves. While the cost of constructing a new railway line is around Rs. 1 crore for every kilometre the cost of gauge conversion under this programme is being contained to only about Rs. 50 to Rs. 60 lakhs/km. as against Rs. 80 lakhs per kilometre normally required for gauge conversion works.

The conversions will result in better utilisation of BG rolling stock by improving turn-round due to elimination of transhipment time losses and availability of alternative and in some cases, even shorter routes. BG rolling stock will be suitably augmented by using the funds earlier earmarked for procurement of MG rolling stock.

ANNEXURE E

(Pl. refer to page 15)

APPRECIATION NOTE ON GAUGE CONVERSION ROUTES TAKEN UP UNDER PROJECT UNIGAUGE

Sl. No.	Route	Salient Features	Ref. of Plg. Comm. Apprl.	Position of traffic Survey	ROR
1.	**Bhatinda-Rewari-Alwar-Mathura**	This route will act as Delhi avoiding line for coal movement to Haryana and Punjab and for foodgrains movement from Punjab to stations *via* Rajdhani route and will reduce congestion in Delhi area. This line was also recommended by CERN.	No. T&C/7/(28)/91 dt. 21.12.92	Regular survey not done.	15.00%

Status of work and remarks

Bhatinda-Hissar will be completed by March, 94 and Hissar-Rewari by June, 94. Rewari-Alwar is already being converted as a part of Delhi-Ahmedabad and will be completed by February, 94. Mathura-Alwar new line portion will also be completed in 1993-94, as such the full route will be available by June, 94.

2.	**Delhi-Jaipur-Ahmedabad**	This route will provide direct BG connection from Delhi to Jaipur, Ajmer and Ahmedabad, relieving congestion on Delhi-Baroda-Rajdhani route with consequent reduction in doubling/traffic facility requirement on that route, by making possible deferment of 3rd line between Mathura and Palwal and 4th line between Palwal and Tughlakabad. Incidentally this route will also provide direct BG connection between Porbandar-Okha-Kandla and Delhi/Bhatinda is also expected to handle additional traffic of Marble, salt and lime stone.	-do-	Survey was updated in 1992-93.	13.83%

Status of work and remarks

Delhi-Rewari has already been completed. Rewari-Bandikui will be ready by March, 94 and Bandikui-Jaipur in June, 94. Jaipur-Phulera has just been completed and Phulera-Marwar will be opened in 94-95 with Marwar-Mehsana in 95-96 and Mehsana/Ahmedabad/Viramgam in 96-97.

Sl. No.	Route	Salient Features	Ref. of Plg. Comm. Apprl.	Position of traffic Survey	ROR
3.	**Sawai Madhopur-Jodhpur-Jaipur-Jaisalmer-Munabao**	This is a strategic line whose conversion was taken up in 1991 at the instance of the Defence Ministry. It also fulfils the role of an alternative route, and is expected to carry additional mineral/stone traffic.	No. T&C/7(7)/85 dt. 30.11.89	Survey was done in 89-90.	8.53%

Status of work and remarks

This is a strategic line, Planning Commission has already approved this on the basis of a regular survey report in Nov., 89. No further approval is necessary. Sawai Madhopur-Jaipur-Phulera-Degana has been completed. Degana-Jodhpur will be completed in 93-94.

4.	**Lalgarh-Merta Road-Jodhpur-Sandari Bhildi-Viramgam**	This is a strategic line whose conversion was taken up in 1991 at the instance of the Defence Ministry. It is also part of the Kandla-Bhatinda route.	No. T&C/7(7)/85 dt. 17.10.89.	Survey was done in 89-90	8.53%

Status of work and remarks

This is a strategic line, Planning Commission has already approved this on the basis of a regular survey report in Oct., 89. No further approval is necessary. Lalgarh-Merta Rd. has been completed. Merta Rd-Jodhpur will be ready by March, 94.

Sl. No.	Route	Salient Features	Ref. of Plg. Comm. Apprl.	Position of traffic Survey	ROR
5.	**Manmad-Adilabad-Parbhani-Parli-Vaijnath**	The work was taken up on Manmad-Parli section in 73-74 and on Parbhani-Adilabad in 1984-85 with the concurrence of the Planning Commission for the development of the backward Marathwada area. The line when completed will carry coal traffic from Adilabad to the Super Thermal Plant at Parli and will also provide alternative routes.	Was approved in 73-74 & 83-84 by Plg. Commission.	Both sections were surveyed at the time of taking up the work.	6.00% on Manmad-Parbhani and 13.41% on the rest of the route. As per survey done prior to taking up the work in 73-74 & 83-84.

Status of work and remarks

This work on Manmad-Parbhani-Parli is nearing completion and the last section from Jalna to Parbhani will be opened in Jan'94. The work on Parbhani-Purna will be opened over the next 3 years in a phased manner. This work was approved by the Planning Commission in 73-74 and 83-84 on the basis of a regular survey report. No further appraisal is now necessary.

6.	**Jabalpur-Gondia-Chandafort**	This section will form a part of an alternative North-South route and will relieve congestion on the GT route with consequent reduction in traffic facilities/additional line requirement on that route. In Phase-I the sector from Gondia to Chanda Fort is proposed to be taken up since it will provide immediate relief to the terribly congested Nagpur area. Additional cement, steel and mineral traffic is expected on this route.	No. T&C/7(28)/91 dt. 21.12.92	Survey was done in 91-92.	9.28%

Status of work and remarks

Gondia-Wadsa will be completed in 93-94. This is a CERN recommended project. The ROR is based on a regular survey carried out in 91-92. With the application of austerity standards, with consequent lowering of cost the ROR shall gest revised upwards. Planning Commission vide their letter No. T&C/7 (28)/91 dt. 28.12.92 have asked for according higher priority to Jabalpur-Gondia section.

Sl. No.	Route	Salient Features	Ref. of Plg. Comm. Apprl.	Position of traffic Survey	ROR
7.	**Bolaram-Secunderabad-Gooty**	This will form the shortest route from Secunderabad to Bangalore, and will also be an alternative to doubling of Wadi-Guntakal section. In fact sanctioned doubling costing about Rs.70 crores on that route has already been deferred.	No. T&C/9(28)/91 dt. 21.12.92	Survery was carried out in 1990	10.04%

Status of work and remarks

Bolaram-Secunderabad-Mehboobnagar section had already been completed, the ROR shown is based on a regular survey done in 1990 and will go up with adoption of austerity standards leading to reduction in cost.

8.	**Guntur-Guntakal-Hospet-Goa**	This route will provide an East-West rail link and will provide a shorter route for Coal, iron ore and Steel traffic from South Eastern Railway.	-do-	Survery was carried out in 1990.	10.04%

Status of work and remarks

Guntur-Narsaraopet was opaned in 92-93 and Narsaraopet-Dronachalam will be completed in 93-94. The ROR shown is based on a regular survey done in 1990 and will go up with adoption of austerity standards leading to reduction in cost.

Sl. No.	Route	Salient Features	Ref. of Plg. Comm. Apprl.	Position of traffic Survey	ROR
9.	**Miraj-Hubli-Bangalore**	This route will reduce the distance and provide an alternative route between Bombay, Pune and Bangalore/Madras	-do-	Survey updated in 1989	Bangalore-Hubli, Birur-Shimoga 10.04%. Miraj-Londa-Hubli-6.8% (1989).

Status of work and remarks

Bangalore-Arsikere has been completed. Arsikere-Chikjajur will be completed in 93-94 and Chikjajur-Hubli-Miraj in 94-95. The ROR is based on survey done in 1989 in separate segments. When through traffic on the route is considered, ROR is bound to go up. Moreover it is based on planning for the work before introduction of austerity standards and with reduction in cost, ROR is also expected to improve further.

10.	**Madras-Tuticorin**	The portion from Madurai to Maniyachchi was taken up in 81-82 after clearance by the Planning Commission. This route will provide an alternative and shorter route between Madras and Trivandrum and will also enable Port traffic from Tuticorin to move to Madurai, Madras and beyond without transhipment	KDMT Proj. cleared by Plg. Comm. in 81-82 & Madras-Dindigul in 1992	Survery was done for Madurai-Maniyachi-Tuticorin sector before taking up the work. For rest of the section, ROR is based on Rly's assessment.	15.43%

Status of work and remarks

The route consists of (a) Dindigul-Madurai-Tuticorin; and (2) Madras-Dindigul section. The D-M-T project was sanctioned by the Planning Commission based on a proper survey report in 81-82. No further appraisal is necessary. The work on the section has been completed.

The work on Madras-Dindigul sector has been taken up. Madras-Tambaram will be completed in 93-94 and the balance in a phased manner in the 8th Plan.

Sl. No.	Route	Salient Features	Ref. of Plg. Comm. Apprl.	Position of traffic Survey	ROR
11.	**Allahabad-Varanasi Chhapra**	The portion from Aunrihar to Chhapra was taken up in 89-90 after clearance from the Planning Commn. on 1.2.89. Allahabad-Varanasi survey report was sent to the Planning Commission in 91-92. Allahabad-Varanasi is the shortest link between these two cities. This work will enable deferring of the doubling of Phaphamau - Janghai - Varanasi line and also provide relief to the Rajdhani route between Mughalsarai and Allahabad. Conversion of these sections will form a route which will link Allahabad to North Bihar and the NE States *via* Chhapra-Muzaffarpur and Katihar, will reduce congestion on the Eastern Railway main line *via* Patna.	No. T&C/7 (27)/88 dt. 1.2.89 & T&C/9(28)/91 dt. 21.12.92	Chhapra-Aunrihar surveyed in 1988. Allahabad-Varanasi surveyed in 1991.	10.22% 8.88%

Status of work and remarks

The works have been taken up on the basis of regular survey reports which have already been considered by the Planning Commission. No further appraisal is necessary.

Sl. No.	Route	Salient Features	Ref. of Plg. Comm. Apprl.	Position of traffic Survey	ROR
12.	**Muzaffarpur-Raxaul-Chhitauni-Gorakhpur-via Loop**	This route will provide direct BG link to Nepal facilitating movement of Cargo and containers from the Ports to Nepal without transhipment and will also act as an alternative for doubling of the saturated Muzarffarpur-Gonda BG line	No. T&C/9 (28)/91 dt. 21.12.92	Surveyed in 1989-90	7.59% (ROR will be 10.34% if Kumarbagh Paper Mill proposed to be set up is established)

Status of work and remarks

Muzaffarpur-Raxaul is targetted for opening in Dec.'94. Further sections would be taken up after completion of the Chhitauni bridge, which depends upon other cosharers coming up with their share of funds. This project has been taken up after a detailed survey, the report of which has been sent to the Planning Commission as such no separate appraisal is necessary now.

13.	**Guwahati-Lumding-Dibrugarh**	This line has been taken up for bringing speedy development of the NE States and for linking them to the national main stream; will also carry additional POL Traffic from the new refinery being set up near Mariani	-do-	Final Location survey done in 1986, updated in 1991-92	19.2%

Status of work and remarks

Guwahati-Lumding will be completed in January'94 and the rest of the section in two years.

Sl. No.	Route	Salient Features	Ref. of Plg. Comm. Apprl.	Position of traffic Survey	ROR
14.	**Rangiya-Murkong-selek**	This is a strategic line. Conversion will also enable lifting of MG from Guwahati to New Bongaigaon (164 kms.)	-do- (Rangiya Bhalukpung section)	Not done so far	Not yet worked out.
Status of work and remarks Nil.					
15.	**Kanpur-Kasganj-Mathura**	This route will also provide an alternative route between Kanpur and Hathras to the Rajdhani route and will also enable, together with Mathura-Alwar new line to provide an alternative connection between Kanpur and Jaipur/Bhatinda etc. without going through Delhi	Not yet referred to Plg. Comm.	The survey is in progress.	Not yet worked out.
Status of work and remarks As this work is planned in the 9th Plan period, the reference will be made to the Planning Commission once the survey report has been received and examined.					

OTHER IMPORTANT LINKS AND BRANCHES TAKEN UP FOR CONVERSION IN THIS PHASE

Sl. No.	Route	Salient Features	Ref. of Plg. Comm. Apprl.	Position of traffic Survey	ROR
1.	**Kotkapura-Fazilka**	This is a strategic line reducing the distance between the border town of Fazilka and the cantonement at Bhatinda. There are also important food grains and cotton loading stations on this line and conversion has enabled movement of these commodities to all parts of the country without transhipment. The conversion of this 80 kms. line has also enabled lifting of 60 kms. more MG parallel line between Kotakapura and Bhatinda reducing operating and maintenance cost	No. T&C/7 (28)/91 dt. 21.12.92	A final location survey was done in 1984-85 which has been updated in the project estimate	14.47%
	Status of work and remarks The work has been completed in 92-93.				
2.	**Sitapur-Burhwal**	Provision of this direct link will enable traffic from Punjab and Haryana to move to the North Eastern States, Bengal and Bihar without going through Lucknow and will reduce congestion and requirement of traffic facility works in the Lucknow area	-do-	Survey updated in 1992-93	20.11%

Sl. No.	Route	Salient Features	Ref. of Plg. Comm. Apprl.	Position of traffic Survey	ROR
Status of work and remarks. The work has been completed in Sept. '93.					
3.	**Mankapur-Katra-Faizabad**	This 37 km. line will provide direct movement of traffic from Allahabad to Gorakhpur, Gonda and will provide operational flexibility. Moreover this was an isolated MG line between two BG lines	-do-	Surveyed in 1991-92	0.3%
Status of work and remarks The Ph. I work from Mankapur to Katra has been completed in 92-93. Ph. II work from Katra to Faizabad is planned to be commissioned in 9th Plan period.					
4.	**Purulia-Kotshila**	This short link has provided operating flexibility on the saturated S.E. Railway main lines at both ends	-do-		13.46%
Status of work and remarks The work has been completed in 92-93.					
5.	**Daund-Baramati**	To bring about speedy development of the backward area	-do-	Surveyed in 1992	4.00%
Status of work and remarks The work is nearing completion. The converted line will be commissioned in 93-94.					

Sl. No.	Route	Salient Features	Ref. of Plg. Comm. Apprl.	Position of traffic Survey	ROR
6.	**Lalgarh-Kolayat**	This line would carry bantonite from Kolayat. Moreover, it would have remained as an isolated MG line requiring additional infrastructure since the main line from which it was taking off was getting converted.	-do-	Survey not done	14.58%
Status of work and remarks	The work has been completed in 92-93.				
7.	**Bangalore-Mysore**	To provide a BG connection to the important city of Mysore. The work was sanctioned in 1979-80	Approved in 79-80	Surveyed before taking up the work in 1972-73.	10.53%
Status of work and remarks	The work has been completed in 92-93.				

ANNEXURE F

(Pl. refer to page No. 28)

ROUTE WISE PROGRAMME OF COMPLETION OF GAUGE CONVERSION DURING VIII PLAN WKS. DTE. 30.12.1993.

	Route	Total (in Kms)	Estimated cost (in Crs. of Rs.)	Schedule of Completion			Schedule of Completion		
				92-93	93-94	94-95	95-96	96-97	Spill over to IX Plan
1.	**Bhatinda-Rewari**	300	135		Bhatinda-Hissar (157 Km)	Hissar-Rewari (143 Km)			
2.	**Delhi-Ahmedabad via Abu Road**	880	443	Delhi-Rewari (83 Km)	Jaipur-Phulera (55 Km)	Phulera-Ajmer (81 Km) Rewari-Jaipur (225 Km) Mahesana-Ahmedabad (69 Km)	Ajmer-Marwar (140 Km) Marwar-Mahesana (283 Km)		
3.	**Kolayat-Lalgarh-Jodhpur-Marwar & Mahesana-Viramgam (Kandla-Bhatinda Route)**	738	396	Lalgarh-Merta Road (177 Kms) & Lalgarh Kolayat (47 Km)	Phulera-Jodhpur (254 Km)		Viramgam-Mahesana (65 km) Jodhpur-Marwar (103 Km)		
4.	**Sawai Madhopur-Jaisalmer & Luni-Munabad**	772	473	Sawai Madhopur-Jaipur (125 Km)	Jaipur-Phulera (55 Km) (Covered in item 2 above)	Jodhpur-Jaisalmer (295 Km)			Luni-Munabad (297 Km)

	Route	Total (in Kms)	Estimated cost (in Crs. of Rs.)	Schedule of Completion			Schedule of Completion		
				92-93	93-94	94-95	95-96	96-97	Spill over to IX Plan
5.	**Miraj-Bangalore-Mysore**	882	485	Bangalore-Tumkur (59 Km) Mysore-Bangalore (138 Km)	Tumkur-Arsikere (101 Km) & Arsikere-Chickjajur (114 Km)	Chickjajur-Harihar & Harihar-Hubli (129 Km) Hubli-Londa (93 Km) Londa-Miraj (188 Km)			
6.	**Hospet-Vasco**	489	312			Londa-Hubli (Included in item 5) Hubli-Hospet (143 Km)		Londa-Vasco (112 Km) Linked fingers (141 Km)	Linked Fingers (141 Km)
7.	**Guntur-Guntakal-Kalluru**	462 225		Guntur-Narsaraopet (46 Km)	Narsaraopet-Donakonda (74 Km)	Donakonda-Giddalur (84 Km)	Giddalur-Nandyal (69 Km)	Nandyal-Guntakal (136 Kms) Dronachalam-Gooty (NL) Mehboobnagar-Gadwal (75 Km) Gadwal-Kurnool (56 Km) Kurnool-Dronachalam (54 Km)	Guntakal-Kalluru (41 Km)
7-A.	**Secunderabad-Dronachalam**	298	226		Secunderabad-Mehboobnagar (113 Km)				

	Route	Total (in Kms)	Estimated cost (in Crs. of Rs.)	Schedule of Completion			Schedule of Completion		
				92-93	93-94	94-95	95-96	96-97	Spill over to IX Plan
8.	**Madras-Dindigul-Tuticorin**	626	382	Dindigul-Tuticorin (196 Km)	Madras-Tambaram (27 Km)				Villupuram-Tambaram (129 Km) Trichy-Villupuram (181 Km) Dindigul-Trichy (93 Km) P2
9.	**Bellary-Shimoga**	186	102	Bellary-Rayadurg (54 Km)	Challekere-Chickjajur (69 Km)	Birur-Shimoga (63 Km)			
10.	**Manmad-Parlivaijnath**	243 Excluding Manmad-Aurangabad	141	Manmad-Aurangabad (114 Km) Completed earlier. Aurangabad Jalna (64 Km) & Parbhani-Parlivaijnath (63 Km)	Jalna-Parbhani (116 Km)				
10-A.	**Parbhani-Adilabad**	244	213			Parbhani-Nanded (52 Km)	Adilabad-Mudkhed (162 Km) Mudkhed-Nanded (23 Km)		

	Route	Total (in Kms)	Estimated cost (in Crs. of Rs.)	Schedule of Completion					
				92-93	93-94	94-95	95-96	96-97	Spill over to IX Plan
11.	**Gondia-Chandafort**	248	170		Gondia-Arjuni (82 Km)	Arjuni-Wadsa (23 Km)		Wadsa-Chandafort (143 Km)	
11-A.	**Gondia-Jabalpur**	229	172					Nainpur-Gondia (117 Km)	Jabalpur-Nainpur (112 Km)
12.	**Secunderabad-Ratlam**	1023	563		Secunderabad-Bolaram (14 Km)		Ratlam-Mhow (140 Km)	Nimach-Ratlam (133 Km) P2	Purna-Akola-Khandwa (249 Km) Mhow-Khandwa (118 Km) P2 Bolaram-Muokhed (235 Km)
13.	**Allahabad-Chhapra**	295	140		Allabahad-Varanasi (124 Km)		Aunrihar-Chhapra (171 Km)		
14.	**Muzaffarpur-Gorakhpur-Gonda via Loop**	572	318			Muzaffarpur-Raxaul (129 Km)	Sagauli-Narkatiaganj (59 Km)		Narkatiaganj-Chhitauni-Gorakhpur (163 Km) & Gorakhpur-Gonda Loop (221 Km)

	Route	Total (in Kms)	Estimated cost (in Crs. of Rs.)	Schedule of Completion					
				92-93	93-94	94-95	95-96	96-97	Spill over to IX Plan
15.	**Kanpur-Kasganj-Mathura-Agra-Bandikui**	567	312				Agra-Bandikui (151 Km)		Kanpur-Kasganj-Mathura-Agra (416 Km)
16.	**Guwahati-Dibrugarh**	834	596		Guwahati-Lumding (181 Km)			Lumding-Dibrugarh (380 Km)	Linked branches of Lumding-Dibrugarh (273 Km)
17.	**Ranglya-Murkongselek**	513	282						Balipara-Murkongselek (318 Km) & Rangiya-Tezpur (150 Km) & Rangapara North-Balukpong (45 Km)

	Route	Total (in Kms)	Estimated cost (in Crs. of Rs.)	Schedule of Completion			Schedule of Completion		
				92-93	93-94	94-95	95-96	96-97	Spill over to IX Plan
18.	**Miscellaneous Routes**								
	i. Burhwal-Sitapur	90	50	Burhwal-Mehmoodabad (38 Km)	Mehmoodabad-Sitapur (60 Km)				
	ii. Nadiad-Kapadvanj	45	15	Nadiad-Kapadvanj (45 km)					
	iii. Kotkapura-Fazilka	80	29	Kotkapura-Fazilka (80 Km)					
	iv-. Lucknow-Kanpur	59	62	Lucknow-Kanpur (59 Km)					
	v. Mankapur-Katra	30	18	Mankapur-Katra (30 Km)					
	vi. Bangalore-Yelahanka	12	10	Bangalore-Yelahanka (12 Km)					
	vii-. Purulia-Kotshila	35	20	Purulia-Kotshila (35 Km)					
	viii. Merta Road-Merta City	14	7		Merta Road-Merta City (14 Km)				

Route	Total (in Kms)	Estimated cost (in Crs. of Rs.)	Schedule of Completion			Schedule of Completion		
			92-93	93-94	94-95	95-96	96-97	Spill over to IX Plan
ix. Daund-Baramati	42	13		Daund-Baramati (42 Km)				
x. Samastipur-Darbhanga	37	35				Samastipur-Darbhanga (37 Km)		
xi. Katpadi-Pakala-Tirupati	104	62					Katpadi-Pakala-Tirupati (104 Km)	
xii. Lalkuan-Kathgodam	29							
Total	10957	5979	1465	1597	1677	1504	1563	3194

TOTAL FOR VIII PLAN 7570 KMS.

FROZEN WORKS

1. Bhildi-Sandari (223 Km)
2. Kashipur-Lalkuan (60 Km)

LINES FOR WHICH TARGET NOT YET FIXED

1. Sholapur-Gadag (300 Km)
2. Miraj-Latur Road (359 Km)
3. Arsikese-Hassan-Mangalore (236 Km)
4. Chindwara-Parasia (28 Km)
5. Mau-Shahganj (99 Km)
6. Rupsa-Bangriposi (89 Km)

PART-II

APPENDIX I

Minutes of the First, Ninth, Fourteenth & Fifteenth sitting of the Standing Committee on Railways (1994-95) held on 12 May, 27 September, 23 December, 1994 & 25 January, 1995

MINUTES OF THE FIRST SITTING OF THE STANDING COMMITTEE ON RAILWAYS (1994-95)

The Committee sat on Thursday, 12 May, 1994 from 15.00 hrs. to 16.25 hrs.

PRESENT

Shri Somnath Chatterjee—*Chairman*

MEMBERS

Lok Sabha

2. Shri Harilal Nanji Patel
3. Shri A.R. Antulay
4. Smt. Santosh Chowdhary
5. Kumari Frida Topne
6. Shri Dilcep Singh Bhuria
7. Shri Ashok Gehlot
8. Shri Manku Ram Sodhi
9. Shri Tej Singh Rao Bhonsle
10. Smt. Sheela Gautam
11. Shri Shrish Chandra Dikshit
12. Smt. Girija Devi
13. Shri Basudeb Acharia
14. Shri S. Sivaraman
15. Shri Ramashray Prasad Singh
16. Shri P.C. Thomas

Rajya Sabha

17. Shri Mohinder Singh Kalyan
18. Smt. Sarala Maheshwari
19. Shri Radhakishan Malaviya
20. Shri Sarada Mohanty
21. Shri Satish Pradhan
22. Shri O. Rajagopal
23. Shri Janardan Yadav

SECRETARIAT

Shri R.K. Chatterjee — *Deputy Secretary*

Shri T.D. Dhingra — *Deputy Secretary*

At the outset the Chairman welcomed the Members to the first sitting of the Standing Committee on Railways (1994-95). The Chairman also

informed the Committee that the Hon'ble Speaker had appreciated the Sixth Report of the Committee on Demands for Grants (1994-95) of the Ministry of Railways. The Members expressed their thanks to the Hon'ble Speaker for the kind words of appreciation.

Thereafter the Committee discussed the future programme of work. The Committee decided to consider action taken notes received from Ministry of Railways on the Reports of Committee at their next sitting to be held on 1 June, 1994.

The Committee also considered the Memorandum on 'Production Units on Railways' and decided to take oral evidence of the representatives of Ministry of Railways on the subject on 9 June, 1994.

The Committee emphasised the need for early and positive action from Ministry on the observations/recommendations contained in the Reports of the Committee.

The Committee then adjourned.

MINUTES OF THE NINTH SITTING OF THE STANDING COMMITTEE ON RAILWAYS (1994-95)

The Committee sat on Tuesday, the 27th September, 1994 from 1600 hrs. to 1650 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Harilal Nanji Patel
3. Shri G. Madegowda
4. Smt. Santosh Chowdhary
5. Shri Dileep Singh Bhuria
6. Dr. Kartikeswar Patra
7. Shri Ashok Gehlot
8. Shri Allola Indrakaran Reddy
9. Shri B.K. Gudadinni
10. Shri Anand Ahirwar
11. Smt. Sheela Gautam
12. Shri Shrish Chandra Dikshit
13. Smt. Girija Devi
14. Shri Basudeb Acharia
15. Shri Brahma Nand Mandal
16. Shri S.S.R. Rajendra Kumar

Rajya Sabha

17. Shri Rahasbihari Barik
18. Shri Radhakishan Malaviya
19. Shri Sarada Mohanty
20. Shri Satish Pradhan
21. Shri Janardan Yadav
22. Shri Ahmed Mohmedbhai Patel

SECRETARIAT

Shri S.C. Gupta — *Joint Secretary*
Shri T.R. Sharma — *Deputy Secretary*
Shri R.C. Gupta — *Under Secretary*

The Committee took up for consideration Memorandum No. 5 on Action Taken by the Ministry of Railways on the recommendations made in their Third Report (1993-94) on 'Gauge Conversion on Indian Railways'. During consideration of the Memorandum the Committee felt that certain replies needed further clarification from the Ministry of Railways. They, therefore, decided to take evidence of the representatives of the Ministry on the subject on 25th October, 1994.

The Committee then adjourned.

MINUTES OF ELEVENTH SITTING OF THE STANDING COMMITTEE ON RAILWAYS (1994-95)

The Committee sat on Monday, 31 October, 1994 from 1100 hrs. to 1345 hrs.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Shri Harilal Nanji Patel
3. Shri Ashok Gehlot
4. Shri A. Indrakaran Reddy
5. Shri B.K. Gudadinni
6. Shri Ram Naik
7. Smt. Sheela Gautam
8. Shri Phool Chand Verma
9. Shri Mangal Ram Premi
10. Shri Shrish Chandra Dikshit
11. Shri Raj Narain
12. Shri Brishin Patel
13. Shri Basudeb Acharia
14. Shri P.C. Thomas

Rajya Sabha

15. Shri Mohinder Singh Kalyan
16. Smt. Sarala Maheshwari
17. Shri Radhakishan Malaviya
18. Shri Sarada Mohanty
19. Shri Satish Pradhan
20. Shri O. Rajagopal
21. Shri Kailash Narain Sarang
22. Shri Janardan Yadav

SECRETARIAT

Shri T.R. Sharma — *Deputy Secretary*
Shri R.C. Gupta — *Under Secretary*

WITNESSES

1. Shri Ashok Bhatnagar, Chairman
2. Shri Raj Kumar, Member (Engg.)
3. Shri Masihuzzaman, Member (Mechanical)

4. Shri V. Sivakumaran, Financial Commissioner, Rly.
5. Shri N. Lobo Prabhu, Adviser (Electrical), Rly.
6. Shri Rajendra Pal, Adviser (Works), Rly.
7. Shri G.K. Kanchan, Adviser (Planning) Rly.

At the outset, the Chairman welcomed the Chairman, Railway Board and his other colleagues to the sitting of the Committee and invited their attention to the Direction 58 of the Directions by the Speaker. Thereafter the Committee took up for examination the replies given by the Ministry of Railways on the recommendations/observations contained in their Third Report on 'Gauge Conversion .

2. On reconsideration of the earlier reply given by the Ministry of Railways to the Committee's recommendation at para 57 of the Third Report (1993-94) on 'Gauge Conversion'. revised comprehensive reply was submitted to the Committee on 5th October, 1994. Taking a serious view of the earlier reply of the Ministry of Railways, the Committee enquired whether it was within the jurisdiction of the Ministry to make such comments as given below on their recommendations/observations:

> "This inference is not warranted by facts nor the change in policy was made at the instance of the Minister or on any adhoc basis."

In his reply the Chairman, Railway Board stated as under:

> "It did come to our notice and we have submitted a revised reply to paragraph 57 of the Report. There we have clarified how we have arrived at the policy of gauge conversion for the Eighth Plan and that reference, as you would notice from the revised reply, has been deleted."

Asked whether that was sufficient, the witness stated:

> "I do regret that the reply should have been drafted in that manner ..... I do apologise. My apology may be accepted."

3. Prior to the meeting of Railway officials held at Bangalore on 6 and 7 January, 1992, there was a decision to take up lines for gauge conversion on selective basis. The Committee, therefore, enquired whether any study to change the above policy was made or the policy was changed on the basis of a letter dated 18 December, 1991 received from the non-official advisor of the Railway Minister. The Member (Engineering) replied:

> "After getting a note from.....Mr. (non-official advisor of the Railway Minister), a Conference of Railway officials, serving as well as retired, was convened at Bangalore to develop consensus on the subject. Basically, the change arose because of the cut in plan size. The Planning Commission was insisting that the physical targets at the end of the Eighth Plan would remain the same despite the cut in the plan size; and that called for a change in the strategy; and for that, Conference was organised and this decision for gauge conversion was taken."

Asked about the reasons for the hurry in which the decision for gauge conversion was taken without waiting for the study report, the witness stated:

> "Certain studies have been done in the last two decades and all had indicated that a gauge conversion on selective basis is called for. Again, at the cost of repetition, I would like to submit that the cut in the plan size and keeping same transport targets impelled us to do it."

Inspite of a number of queries, the Committee did not get any satisfactory reply regarding the impact of gauge conversion on increase in traffic.

The Committee also asked the witnesses to supply a copy of Agenda of the meeting held on 6 and 7 January, 1992, in Bangalore.

*** *** ***

The Committee then adjourned.

MINUTES OF THE FOURTEENTH SITTING OF THE STANDING COMMITTEE ON RAILWAYS (1994-95)

The Committee sat on Friday, the 23 December, 1994 from 1500 hrs. to 1530 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. **Shri Ram Naik**
3. **Smt. Sheela Gautam**
4. **Shri Shrish Chandra Dikshit**
5. **Shri Basudeb Acharia**

Rajya Sabha

6. Shri Mohinder Singh Kalyan
7. Smt. Sarala Maheshwari
8. Shri Sarada Mohanty
9. Shri Satish Pradhan
10. Shri O. Rajagopal
11. Shri Kailash Narain Sarang

SECRETARIAT

Shri S.C. Gupta — *Joint Secretary*
Shri R.C. Gupta — *Under Secretary*

2. As there was no quoram, the Committee deferred the consideration and adoption of the 11th Draft Report on Action Taken by the Ministry of Railways on the recommendations and observations contained in their Third Report on 'Gauge Conversion by the Indian Railways'.

The Committee then adjourned.

MINUTES OF THE FIFTEENTH SITTING OF THE STANDING COMMITTEE ON RAILWAYS (1994-95)

The Committee sat on Wednesday, the 25 January, 1995 from 1100 hrs. to 1230 hrs. in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Somnath Chatterjee — *Chairman*

MEMBERS

Lok Sabha

2. Smt. Santosh Chowdhary
3. Shri Dileep Singh Bhuria
4. Dr. Kartikeswar Patra
5. Shri Allola Indrakaran Reddy
6. Smt. Sheela Gautam
7. Shri Phool Chand Verma
8. Shri Brishin Patel
9. Smt. Girija Devi
10. Shri Basudeb Acharia
11. Shri Brahma Nand Mandal

Rajya Sabha

12. Shri Rahasbihari Barik
13. Shri Mohinder Singh Kalyan
14. Smt. Sarala Maheshwari
15. Shri Radhakishan Malaviya
16. Shri Satish Pradhan
17. Shri O. Rajagopal
18. Shri Kailash Narain Sarang
19. Shri Janardan Yadav

SECRETARIAT

Smt. Roli Srivastava — *Joint Secretary*
Shri T.R. Sharma — *Deputy Secretary*
Shri R.C. Gupta — *Under Secretary*

2. The Committee took up for consideration the Draft Eleventh Report of the Committee on the Action Taken by Government on recommendations/observations contained in Third Report of the Committee on 'Gauge Conversion on Indian Railways'.

3. The Report was adopted subject to the amendments/modifications as appended below.

4. The Committee authorised the Chairman to finalise the Report after making consequential changes if any arising out of factual verification by the Ministry of Railways and to present the Report to both the Houses of Parliament.

The Committee then adjourned.

AMENDMENTS/MODIFICATIONS MADE BY STANDING COMMITTEE ON RAILWAYS IN THE DRAFT ELEVENTH REPORT OF THE COMMITTEE ON THE ACTION TAKEN BY GOVERNMENT ON RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THIRD REPORT OF THE COMMITTEE ON 'GAUGE CONVERSION ON INDIAN RAILWAYS'

Page	*Para*	*Line*
15	20	*For existing paragraph substitute:* "The Committee are not convinced with the arguments advanced in favour of conversion of metre gauge lines into broad gauge. The Committee note that the disadvantages of multigauge system in the country were felt as far back as in 1853 but a policy decision was announced only in the year 1971 to convert metre gauge lines progressively into broad gauge. Even though the gauge conversion programme was kept on a very selective basis, keeping in view the relevant factors regarding its profitability etc., yet the Committee are not convinced why from 1992 onwards there has been a sharp and sudden increase in the expenditure on the gauge conversion programme even when the Railways had been facing severe resource crunch. The Committee are of the firm view that diversion of funds from other Plan Heads particularly for track renewals, for gauge conversion have badly affected the developmental activities of the Railways in those areas. It is proved by the facts that because of bad condition of the tracks, serious accidents have taken place recently. The Committee have reasonable apprehension that unless sufficient funds are provided for immediate improvement of track, more accidents may take place. They therefore cannot but express their strong disapproval of the sudden shift in the priorities. The Committee would like to know whether the gauge conversion programme as originally envisaged in the approved VIII Five Year Plan is being duly followed."
20	32	*After paragraph 32 add paragraph 33:* "During evidence the Committee inspite of quaries did not get any satisfactory reply regarding the impact of gauge conversion on increase in traffic. So far benefits of such a massive gauge conversion has not been established."

APPENDIX II

Analysis of action taken by Government on recommendations/observations contained in Third Report of the Standing Committee on Railways (1993-94) (Tenth Lok Sabha) on Gauge Conversion on Indian Railways

Total number of recommendations/observations		21
(i)	Recommendations/Observations which have been accepted by the Government	5
	(*Vide* recommendations/observations Para No. 50, 51, 52, 53 and 54)	
	Percentage of Total	about 23.8%
(ii)	Recommendations/observations which the Committee do not desire to pursue in view of the replies of the Government	8
	(*Vide* Para No. 58, 59, 60, 61, 62, 63, 64 and 68)	
	Percentage of Total	about 38.09%
(iii)	Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee	8
	(*Vide* Para No. 55, 56, 57, 65, 66, 67, 69 and 70)	
	Percentage of Total	about 38.09%
(iv)	Recommendations/observations in respect of which final replies of the Government are still awaited.	Nil